

REQUEST FOR PROPOSALS

TECHNICAL ASSISTANCE FOR THE

BRANCHLESS BANKING

Submission Deadline: 5:00 PM

LOCAL (ACCRA) TIME

NOVEMBER 18, 2011

Submission Place: Yoku Korsah
Chief Operating Officer
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SEALED PROPOSALS SHALL BE CLEARLY MARKED AND RECEIVED PRIOR TO THE TIME AND DATE SPECIFIED ABOVE. PROPOSALS RECEIVED AFTER SAID TIME AND DATE WILL NOT BE ACCEPTED OR CONSIDERED.

REQUEST FOR PROPOSALS

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Section 1: INTRODUCTION

The U.S. Trade and Development Agency (USTDA) provided a technical assistance (TA) grant in the amount of US\$496,000 to Ghana Interbank Payments and Settlement Systems Limited (the "Grantee") in accordance with a grant agreement dated August 12, 2011 (the "Grant Agreement"). The TA will assist the Grantee in determining the technical, operational, and business requirements for extending branchless banking services, including electronic payment systems and other financial services, to underserved segments of Ghana's population (the "Project"). The Grant Agreement is attached at Annex 4 for reference. The Grantee is soliciting technical proposals from qualified U.S. firms to provide expert consulting services to perform the TA.

1.1 BACKGROUND SUMMARY

The Ghana Interbank Payments and Settlement Systems Limited was established in 2007 as a wholly-owned subsidiary of the Bank of Ghana, the Ghanaian government's treasury and financial regulator. The Grantee is charged with the implementation and operation of the country's check clearing system, automated clearing house, and interbank payment and settlement system, which manages and regulates all electronic financial transactions between commercial banks in Ghana. This infrastructure is used for the transfer of funds from an account at one commercial bank to a different account at a second commercial bank, and forms the backbone of the country's electronic banking system.

This Technical Assistance will assist the Grantee in determining the technical, operational, and business requirements for extending branchless banking services, including electronic payment systems and other financial services, to underserved segments of Ghana's population. It will provide the Grantee with recommendations on various fee structures and business models which could balance the banks' need to reduce the cost of POS machines and electronic payments for consumers with the need to ensure the Project's commercial sustainability. The Technical Assistance will also make technical recommendations on the ICT infrastructure which must be procured by the commercial banks to successfully implement the Project, including ATMs, data processing, security, and software. This assistance will provide the Grantee with recommendations on promoting, managing and developing electronic payment systems while ensuring the safety, security, and interoperability of these disparate systems. Finally, this TA will assist the Grantee in developing Ghana's financial system to include underserved populations and implement electronic payment solutions appropriate for rural customers.

A background Definitional Mission performed by Network Dynamics Associates LLC is provided for reference in Annex 2.

1.2 OBJECTIVE

The objective of this Technical Assistance is to assist the Grantee in its effort to augment the availability of financial services in Ghana. The Technical Assistance will make recommendations on a business model to support the development of electronic payment

infrastructure in Ghana from a commercial perspective and to demonstrate the financial viability of the Project for all of the Project's stakeholders.

The Terms of Reference (TOR) for this Technical Assistance are attached as Annex 5.

1.3 PROPOSALS TO BE SUBMITTED

Technical proposals are solicited from interested and qualified U.S. firms. The administrative and technical requirements as detailed throughout the Request for Proposals (RFP) will apply. Specific proposal format and content requirements are detailed in Section 3.

The amount for the contract has been established by a USTDA grant of US\$496,000. **The USTDA grant of US\$496,000 is a fixed amount. Accordingly, COST will not be a factor in the evaluation and therefore, cost proposals should not be submitted.** Upon detailed evaluation of technical proposals, the Grantee shall select one firm for contract negotiations.

1.4 CONTRACT FUNDED BY USTDA

In accordance with the terms and conditions of the Grant Agreement, USTDA has provided a grant in the amount of US\$496,000 to the Grantee. The funding provided under the Grant Agreement shall be used to fund the costs of the contract between the Grantee and the U.S. firm selected by the Grantee to perform the TOR. The contract must include certain USTDA Mandatory Contract Clauses relating to nationality, taxes, payment, reporting, and other matters. The USTDA nationality requirements and the USTDA Mandatory Contract Clauses are attached at Annexes 3 and 4, respectively, for reference.

Section 2: INSTRUCTIONS TO OFFERORS

2.1 PROJECT TITLE

The project is called Branchless Banking.

2.2 DEFINITIONS

Please note the following definitions of terms as used in this RFP.

The term "Request for Proposals" means this solicitation of a formal technical proposal, including qualifications statement.

The term "Offeror" means the U.S. firm, including any and all subcontractors, which responds to the RFP and submits a formal proposal and which may or may not be successful in being awarded this procurement.

2.3 DEFINITIONAL MISSION REPORT

USTDA sponsored a Definitional Mission performed by Network Dynamics Associates LLC to address technical, financial, sociopolitical, environmental and other aspects of the proposed project. A copy of the report is attached at Annex 2 for background information only. Please note that the TOR referenced in the report are included in this RFP as Annex 5.

2.4 EXAMINATION OF DOCUMENTS

Offerors should carefully examine this RFP. It will be assumed that Offerors have done such inspection and that through examinations, inquiries and investigation they have become familiarized with local conditions and the nature of problems to be solved during the execution of the Technical Assistance.

Offerors shall address all items as specified in this RFP. Failure to adhere to this format may disqualify an Offeror from further consideration.

Submission of a proposal shall constitute evidence that the Offeror has made all the above mentioned examinations and investigations, and is free of any uncertainty with respect to conditions which would affect the execution and completion of the Technical Assistance.

2.5 PROJECT FUNDING SOURCE

The Technical Assistance will be funded under a grant from USTDA. The total amount of the grant is not to exceed US\$496,000.

2.6 RESPONSIBILITY FOR COSTS

Offeror shall be fully responsible for all costs incurred in the development and submission of the proposal. Neither USTDA nor the Grantee assumes any obligation as a result of the issuance of this RFP, the preparation or submission of a proposal by an Offeror, the evaluation of proposals, final selection or negotiation of a contract.

2.7 TAXES

Offerors should submit proposals that note that in accordance with the USTDA Mandatory Contract Clauses, USTDA grant funds shall not be used to pay any taxes, tariffs, duties, fees or other levies imposed under laws in effect in the Host Country.

2.8 CONFIDENTIALITY

The Grantee will preserve the confidentiality of any business proprietary or confidential information submitted by the Offeror, which is clearly designated as such by the Offeror, to the extent permitted by the laws of the Host Country.

2.9 ECONOMY OF PROPOSALS

Proposal documents should be prepared simply and economically, providing a comprehensive yet concise description of the Offeror's capabilities to satisfy the requirements of the RFP. Emphasis should be placed on completeness and clarity of content.

2.10 OFFEROR CERTIFICATIONS

The Offeror shall certify (a) that its proposal is genuine and is not made in the interest of, or on behalf of, any undisclosed person, firm, or corporation, and is not submitted in conformity with, and agreement of, any undisclosed group, association, organization, or corporation; (b) that it has not directly or indirectly induced or solicited any other Offeror to put in a false proposal; (c) that it has not solicited or induced any other person, firm, or corporation to refrain from submitting a proposal; and (d) that it has not sought by collusion to obtain for itself any advantage over any other Offeror or over the Grantee or USTDA or any employee thereof.

2.11 CONDITIONS REQUIRED FOR PARTICIPATION

Only U.S. firms are eligible to participate in this tender. However, U.S. firms may utilize subcontractors from the Host Country for up to 20 percent of the amount of the USTDA grant for

specific services from the TOR identified in the subcontract. USTDA's nationality requirements, including definitions, are detailed in Annex 3.

2.12 LANGUAGE OF PROPOSAL

All proposal documents shall be prepared and submitted in English, and only English.

2.13 PROPOSAL SUBMISSION REQUIREMENTS

The **Cover Letter** in the proposal must be addressed to:

Yoku Korsah
Chief Operating Officer
Ghana Interbank Payments and Settlement Systems Limited
#23, Seventh Avenue, Ridge West
P.M.B. GPO, Accra, Ghana
Phone: +233 302 610780
Fax: +233 302 671757
E-mail: info@ghipss.com

An Original and eight (8) copies of your proposal must be received at the above address no later than 5:00pm, LOCAL (ACCRA) TIME, on November 18, 2011.

Proposals may be either sent by mail, overnight courier, or hand-delivered. Whether the proposal is sent by mail, courier or hand-delivered, the Offeror shall be responsible for actual delivery of the proposal to the above address before the deadline. Any proposal received after the deadline will be returned unopened. The Grantee will promptly notify any Offeror if its proposal was received late.

Upon timely receipt, all proposals become the property of the Grantee.

2.14 PACKAGING

The original and each copy of the proposal must be sealed to ensure confidentiality of the information. The proposals should be individually wrapped and sealed, and labeled for content including "original" or "copy number x"; the original and eight (8) copies should be collectively wrapped and sealed, and clearly labeled.

Neither USTDA nor the Grantee will be responsible for premature opening of proposals not properly wrapped, sealed and labeled.

2.15 AUTHORIZED SIGNATURE

The proposal must contain the signature of a duly authorized officer or agent of the Offeror empowered with the right to bind the Offeror.

2.16 EFFECTIVE PERIOD OF PROPOSAL

The proposal shall be binding upon the Offeror for NINETY (90) days after the proposal due date, and Offeror may withdraw or modify this proposal at any time prior to the due date upon written request, signed in the same manner and by the same person who signed the original proposal.

2.17 EXCEPTIONS

All Offerors agree by their response to this RFP announcement to abide by the procedures set forth herein. No exceptions shall be permitted.

2.18 OFFEROR QUALIFICATIONS

As provided in Section 3, Offerors shall submit evidence that they have relevant past experience and have previously delivered advisory, technical assistance and/or other services similar to those required in the TOR, as applicable.

2.19 RIGHT TO REJECT PROPOSALS

The Grantee reserves the right to reject any and all proposals.

2.20 PRIME CONTRACTOR RESPONSIBILITY

Offerors have the option of subcontracting parts of the services they propose. The Offeror's proposal must include a description of any anticipated subcontracting arrangements, including the name, address, and qualifications of any subcontractors. USTDA nationality provisions apply to the use of subcontractors and are set forth in detail in Annex 3. The successful Offeror shall cause appropriate provisions of its contract, including all of the applicable USTDA Mandatory Contract Clauses, to be inserted in any subcontract funded or partially funded by USTDA grant funds.

2.21 AWARD

The Grantee shall make an award resulting from this RFP to the best qualified Offeror, on the basis of the evaluation factors set forth herein. The Grantee reserves the right to reject any and all proposals received and, in all cases, the Grantee will be the judge as to whether a proposal has or has not satisfactorily met the requirements of this RFP.

2.22 COMPLETE SERVICES

The successful Offeror shall be required to (a) provide local transportation, office space and secretarial support required to perform the TOR if such support is not provided by the Grantee; (b) provide and perform all necessary labor, supervision and services; and (c) in accordance with best technical and business practice, and in accordance with the requirements, stipulations, provisions and conditions of this RFP and the resultant contract, execute and complete the TOR to the satisfaction of the Grantee and USTDA.

2.23 INVOICING AND PAYMENT

Deliverables under the contract shall be delivered on a schedule to be agreed upon in a contract with the Grantee. The Contractor may submit invoices to the designated Grantee Project Director in accordance with a schedule to be negotiated and included in the contract. After the Grantee's approval of each invoice, the Grantee will forward the invoice to USTDA. If all of the requirements of USTDA's Mandatory Contract Clauses are met, USTDA shall make its respective disbursement of the grant funds directly to the U.S. firm in the United States. All payments by USTDA under the Grant Agreement will be made in U.S. currency. Detailed provisions with respect to invoicing and disbursement of grant funds are set forth in the USTDA Mandatory Contract Clauses attached in Annex 4.

Section 3: PROPOSAL FORMAT AND CONTENT

To expedite proposal review and evaluation, and to assure that each proposal receives the same orderly review, all proposals must follow the format described in this section.

Proposal sections and pages shall be appropriately numbered and the proposal shall include a Table of Contents. Offerors are encouraged to submit concise and clear responses to the RFP. Proposals shall contain all elements of information requested without exception. Instructions regarding the required scope and content are given in this section. The Grantee reserves the right to include any part of the selected proposal in the final contract.

The proposal shall consist of a technical proposal only. A cost proposal is NOT required because the amount for the contract has been established by a USTDA grant of US\$496,000, which is a fixed amount.

Offerors shall submit one (1) original and eight (8) copies of the proposal. Proposals received by fax cannot be accepted.

Each proposal must include the following:

- Transmittal Letter,
- Cover/Title Page,
- Table of Contents,
- Executive Summary,
- Company Information,
- Organizational Structure, Management Plan, and Key Personnel,
- Technical Approach and Work Plan, and
- Experience and Qualifications.

Detailed requirements and directions for the preparation of the proposal are presented below.

3.1 EXECUTIVE SUMMARY

An Executive Summary should be prepared describing the major elements of the proposal, including any conclusions, assumptions, and general recommendations the Offeror desires to make. Offerors are requested to make every effort to limit the length of the Executive Summary to no more than five (5) pages.

3.2 COMPANY INFORMATION

For convenience, the information required in this Section 3.2 may be submitted in the form attached in Annex 6 hereto.

3.2.1 Company Profile

Provide the information listed below relative to the Offeror's firm. If the Offeror is proposing to subcontract some of the proposed work to another firm(s), the information requested in sections 3.2.5 and 3.2.6 below must be provided for each subcontractor.

1. Name of firm and business address (street address only), including telephone and fax numbers.
2. Year established (include predecessor companies and year(s) established, if appropriate).
3. Type of ownership (e.g. public, private or closely held).
4. If private or closely held company, provide list of shareholders and the percentage of their ownership.
5. List of directors and principal officers (President, Chief Executive Officer, Vice-President(s), Secretary and Treasurer; provide full names including first, middle and last). Please place an asterisk (*) next to the names of those principal officers who will be involved in the Technical Assistance.
6. If Offeror is a subsidiary, indicate if Offeror is a wholly-owned or partially-owned subsidiary. Provide the information requested in items 1 through 5 above for the Offeror's parent(s).
7. Project Manager's name, address, telephone number, e-mail address and fax number.

3.2.2 Offeror's Authorized Negotiator

Provide name, title, address, telephone number, e-mail address and fax number of the Offeror's authorized negotiator. The person cited shall be empowered to make binding commitments for the Offeror and its subcontractors, if any.

3.2.3 Negotiation Prerequisites

1. Discuss any current or anticipated commitments which may impact the ability of the Offeror or its subcontractors to complete the Technical Assistance as proposed and reflect such impact within the project schedule.
2. Identify any specific information which is needed from the Grantee before commencing contract negotiations.

3.2.4 Offeror's Representations

If any of the following representations cannot be made, or if there are exceptions, the Offeror must provide an explanation.

1. Offeror is a corporation *[insert applicable type of entity if not a corporation]* duly organized, validly existing and in good standing under the laws of the State of _____. The Offeror has all the requisite corporate power and authority to conduct its business as presently conducted, to submit this proposal, and if selected, to execute and deliver a contract to the Grantee for the performance of the Technical Assistance. The Offeror is not debarred, suspended, or to the best of its knowledge or belief, proposed for debarment, or ineligible for the award of contracts by any federal or state governmental agency or authority.
2. The Offeror has included, with this proposal, a certified copy of its Articles of Incorporation, and a certificate of good standing issued within one month of the date of its proposal by the State of _____. The Offeror commits to notify USTDA and the Grantee if they become aware of any change in their status in the state in which they are incorporated. USTDA retains the right to request an updated certificate of good standing.
3. Neither the Offeror nor any of its principal officers have, within the three-year period preceding this RFP, been convicted of or had a civil judgment rendered against them for: commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a federal, state or local government contract or subcontract; violation of federal or state antitrust statutes relating to the submission of offers; or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, tax evasion, violating federal or state criminal tax laws, or receiving stolen property.
4. Neither the Offeror, nor any of its principal officers, is presently indicted for, or otherwise criminally or civilly charged with, commission of any of the offenses enumerated in paragraph 3 above.
5. There are no federal or state tax liens pending against the assets, property or business of the Offeror. The Offeror, has not, within the three-year period preceding this RFP, been notified of any delinquent federal or state taxes in an amount that exceeds \$3,000 for which the liability remains unsatisfied. Taxes are considered delinquent if (a) the tax liability has been fully determined, with no pending administrative or judicial appeals; and (b) a taxpayer has failed to pay the tax liability when full payment is due and required.
6. The Offeror has not commenced a voluntary case or other proceeding seeking liquidation, reorganization or other relief with respect to itself or its debts under any bankruptcy, insolvency or other similar law. The Offeror has not had filed against it an involuntary petition under any bankruptcy, insolvency or similar law.

The selected Offeror shall notify the Grantee and USTDA if any of the representations included in its proposal are no longer true and correct at the time of its entry into a contract with the Grantee.

3.2.5 Subcontractor Profile

1. Name of firm and business address (street address only), including telephone and fax numbers.
2. Year established (include predecessor companies and year(s) established, if appropriate).

3.2.6 Subcontractor's Representations

If any of the following representations cannot be made, or if there are exceptions, the Subcontractor must provide an explanation.

1. Subcontractor is a corporation [*insert applicable type of entity if not a corporation*] duly organized, validly existing and in good standing under the laws of the State of _____. The subcontractor has all the requisite corporate power and authority to conduct its business as presently conducted, to participate in this proposal, and if the Offeror is selected, to execute and deliver a subcontract to the Offeror for the performance of the Technical Assistance and to perform the Technical Assistance. The subcontractor is not debarred, suspended, or to the best of its knowledge or belief, proposed for debarment or ineligible for the award of contracts by any federal or state governmental agency or authority.
2. Neither the subcontractor nor any of its principal officers have, within the three-year period preceding this RFP, been convicted of or had a civil judgment rendered against them for: commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a federal, state or local government contract or subcontract; violation of federal or state antitrust statutes relating to the submission of offers; or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, tax evasion, violating federal or state criminal tax laws, or receiving stolen property.
3. Neither the subcontractor, nor any of its principal officers, is presently indicted for, or otherwise criminally or civilly charged with, commission of any of the offenses enumerated in paragraph 2 above.
4. There are no federal or state tax liens pending against the assets, property or business of the subcontractor. The subcontractor, has not, within the three-year period preceding this RFP, been notified of any delinquent federal or state taxes in an amount that exceeds \$3,000 for which the liability remains unsatisfied. Taxes are considered delinquent if (a) the tax liability has been fully determined, with no pending administrative or judicial appeals; and (b) a taxpayer has failed to pay the tax liability when full payment is due and required.

5. The subcontractor has not commenced a voluntary case or other proceeding seeking liquidation, reorganization or other relief with respect to itself or its debts under any bankruptcy, insolvency or other similar law. The subcontractor has not had filed against it an involuntary petition under any bankruptcy, insolvency or similar law.

The selected subcontractor shall notify the Offeror, Grantee and USTDA if any of the representations included in this proposal are no longer true and correct at the time of the Offeror's entry into a contract with the Grantee.

3.3 ORGANIZATIONAL STRUCTURE, MANAGEMENT, AND KEY PERSONNEL

Describe the Offeror's proposed project organizational structure. Discuss how the project will be managed including the principal and key staff assignments for this Technical Assistance. Identify the Project Manager who will be the individual responsible for this project. The Project Manager shall have the responsibility and authority to act on behalf of the Offeror in all matters related to the Technical Assistance.

Provide a listing of personnel (including subcontractors) to be engaged in the project, including both U.S. and local subcontractors, with the following information for key staff: position in the project; pertinent experience, curriculum vitae; other relevant information. If subcontractors are to be used, the Offeror shall describe the organizational relationship, if any, between the Offeror and the subcontractor.

A manpower schedule and the level of effort for the project period, by activities and tasks, as detailed under the Technical Approach and Work Plan shall be submitted. A statement confirming the availability of the proposed project manager and key staff over the duration of the project must be included in the proposal.

3.4 TECHNICAL APPROACH AND WORK PLAN

Describe in detail the proposed Technical Approach and Work Plan (the "Work Plan"). Discuss the Offeror's methodology for completing the project requirements. Include a brief narrative of the Offeror's methodology for completing the tasks within each activity series. Begin with the information gathering phase and continue through delivery and approval of all required reports.

Prepare a detailed schedule of performance that describes all activities and tasks within the Work Plan, including periodic reporting or review points, incremental delivery dates, and other project milestones.

Based on the Work Plan, and previous project experience, describe any support that the Offeror will require from the Grantee. Detail the amount of staff time required by the Grantee or other participating agencies and any work space or facilities needed to complete the Technical Assistance.

3.5 EXPERIENCE AND QUALIFICATIONS

Provide a discussion of the Offeror's experience and qualifications that are relevant to the objectives and TOR for the Technical Assistance. If a subcontractor(s) is being used, similar information must be provided for the prime and each subcontractor firm proposed for the project. The Offeror shall provide information with respect to relevant experience and qualifications of key staff proposed. The Offeror shall include letters of commitment from the individuals proposed confirming their availability for contract performance.

As many as possible but not more than six (6) relevant and verifiable project references must be provided for each of the Offeror and any subcontractor, including the following information:

- Project name,
- Name and address of client (indicate if joint venture),
- Client contact person (name/ position/ current phone and fax numbers),
- Period of Contract,
- Description of services provided,
- Dollar amount of Contract, and
- Status and comments.

Offerors are strongly encouraged to include in their experience summary primarily those projects that are similar to or larger in scope than the Technical Assistance as described in this RFP.

Section 4: AWARD CRITERIA

Individual proposals will be initially evaluated by a Procurement Selection Committee of representatives from the Grantee. The Committee will then conduct a final evaluation and completion of ranking of qualified Offerors. The Grantee will notify USTDA of the best qualified Offeror, and upon receipt of USTDA's no-objection letter, the Grantee shall promptly notify all Offerors of the award and negotiate a contract with the best qualified Offeror. If a satisfactory contract cannot be negotiated with the best qualified Offeror, negotiations will be formally terminated. Negotiations may then be undertaken with the second most qualified Offeror and so forth.

The selection of the Contractor will be based on the following criteria:

Technical Proposal 35

- Technical approach for assessing and developing recommendations for the implementation of sustainable branchless banking systems. (35);

Personnel and Management Plan 35

- Experience and expertise of the Project Manager proposed in developing branchless banking systems in the international banking sector (25); and
- Experience and expertise of the Team personnel in fulfilling the various functions of each component of the program (10).

Firm Technical Capability and Past Performance 30

- Experience in the commercial banking sector in emerging economies (20); and
- Experience working with emerging market government institutions, such as central banks, to provide technical assistance and training (10).

Please note that all Offerors should have experience in assessing branchless banking facility requirements, designing and implementing branchless systems that are sustainable, secure and reliable, and working in emerging market economies similar to Ghana to develop complex financial sector IT projects.

Proposals that do not include all requested information may be considered non-responsive.

Price will not be a factor in contractor selection.

ANNEX 1

Mr. Yoku Korsah; Chief Operating Officer; Ghana Interbank Payments and Settlement Systems Limited; #23, Seventh Avenue, Ridge West; P.M.B. GPO, Accra, Ghana; Phone: +233 302 610780

Ghana: Branchless Banking Technical Assistance

POC: Nina Patel, USTDA, 1000 Wilson Boulevard, Suite 1600, Arlington, VA 22209-3901, Tel: (703) 875-4357, Fax: (703) 875-4009. The Ghana Interbank Payments and Settlement Systems Limited (Grantee) invites submission of qualifications and proposal data (collectively referred to as the "Proposal") from interested U.S. firms that are qualified on the basis of experience and capability to perform technical assistance to assist the Grantee in its effort to augment the availability of financial services in Ghana.

This TA will assist the Grantee in determining the technical, operational, and business requirements for extending branchless banking services, including electronic payment systems and other financial services, to underserved segments of Ghana's population. It will provide the Grantee with recommendations on various fee structures and business models which could balance the banks' need to reduce the cost of POS machines and electronic payments for consumers with the need to ensure the Project's commercial sustainability. The TA will also make technical recommendations on the ICT infrastructure which must be procured by the commercial banks to successfully implement the Project, including ATMs, data processing, security, and software. This assistance will provide the Grantee with recommendations on regulating electronic payment infrastructure and ensuring the safety, security, and interoperability of these disparate systems. Finally, this TA will assist the Grantee in developing Ghana's financial system to include underserved populations and implement electronic payment solutions appropriate for rural customers.

The U.S. firm selected will be paid in U.S. dollars from a \$496,000 grant to the Grantee from the U.S. Trade and Development Agency (USTDA).

A detailed Request for Proposals (RFP), which includes requirements for the Proposal, the Terms of Reference, and a background definitional mission/desk study report are available from USTDA, at 1000 Wilson Boulevard, Suite 1600, Arlington, VA 22209-3901. To request the RFP in PDF format, please go to: <https://www.ustda.gov/businessopps/rfpform.asp>. Requests for a mailed hardcopy version of the RFP may also be faxed to the IRC, USTDA at 703-875-4009. In the fax, please include your firm's name, contact person, address, and telephone number. Some firms have found that RFP materials sent by U.S. mail do not reach them in time for preparation of an adequate response. Firms that want USTDA to use an overnight delivery service should include the name of the delivery service and your firm's account number in the request for the RFP. Firms that want to send a courier to USTDA to retrieve the RFP should allow one hour after faxing the request to USTDA before scheduling a pick-up. Please note that no telephone requests for the RFP will be honored. Please check your internal fax verification receipt. Because of the large number of RFP requests, USTDA cannot respond to requests for fax verification. Requests for RFPs received before 4:00 PM will be mailed the same day. Requests received after 4:00 PM

will be mailed the following day. Please check with your courier and/or mail room before calling USTDA.

Only U.S. firms and individuals may bid on this USTDA financed activity. Interested firms, their subcontractors and employees of all participants must qualify under USTDA's nationality requirements as of the due date for submission of qualifications and proposals and, if selected to carry out the USTDA-financed activity, must continue to meet such requirements throughout the duration of the USTDA-financed activity. All goods and services to be provided by the selected firm shall have their nationality, source and origin in the U.S. or host country. The U.S. firm may use subcontractors from the host country for up to 20 percent of the USTDA grant amount. Details of USTDA's nationality requirements and mandatory contract clauses are also included in the RFP.

Interested U.S. firms should submit their Proposal in English directly to the Grantee by 5:00pm, Local (Accra) Time, November 18, 2011 at the above address. Evaluation criteria for the Proposal are included in the RFP. Price will not be a factor in contractor selection, and therefore, cost proposals should NOT be submitted. The Grantee reserves the right to reject any and/or all Proposals. The Grantee also reserves the right to contract with the selected firm for subsequent work related to the project. The Grantee is not bound to pay for any costs associated with the preparation and submission of Proposals.

ANNEX 2

Ghana Branchless Banking Technical Assistance

A. Executive Summary.

Through its work on the *Definitional Mission for Banking Sector Information and Communications Technology (ICT) Development Projects in Nigeria and Ghana*, the Network Dynamics Team has identified and defined a Ghana Branchless Banking Technical Assistance Project (Project) for the Ghana Interbank Payment and Settlement System (GHIPSS). The proposed Project has the potential to significantly improve and extend the reach of formal banking services to all sectors of the Ghanaian economy.

Ghana has an extensive network of rural banks in the country which will soon be interconnected through a shared network infrastructure and will be acquiring IT systems to allow them to modernize their operations and incorporate electronic banking platforms into their systems. This, in conjunction with the recent or planned introduction of a range of branchless banking technologies (i.e. the E-Zwich biometric enabled smart card introduced in 2008 by GHIPSS; mobile phone banking; and internet banking) puts Ghana in a unique position to successfully bring branchless banking to the unbanked. However, there are major challenges that need to be addressed in order to enable a technically and financially viable and interoperable deployment of these technologies. GHIPSS, which is responsible for ensuring the interoperability and compliance of branchless banking technologies and systems, clearing all branchless banking transactions, and initiating and operating certain technology platforms, such as the E-Zwich smartcard-based payment system, has therefore requested technical assistance to evaluate, develop and recommend strategies and business models for the increased utilization of new and existing technologies and systems for branchless banking.

The Project has important potential developmental impacts on the stability and growth of Ghana's financial system by increasing the size of the formal banking economy. By increasing the size of the formal banking sector, more Ghanaians will have secure, interest bearing accounts while increasing their access to credit by maintaining a formal credit history. Growth in the formal banking sector also increases the capacity of Bank of Ghana (BoG) to manage the overall financial system and its impact on the domestic economy through its interest rate and other monetary policy tools. For the Ghanaian banks, improving the penetration of branchless banking technologies in the country means that they will be able to reach more Ghanaians that have not previously been able to access financial services without having to open new branches and add more bank employees resulting in significantly reduced startup costs when compared to establishing brick and mortar branches.

Improving access to financial services by the unbanked communities and businesses is critical in the development of an equitable financial sector. Access to affordable, sustainable and secure financial services contributes directly to increasing income and reducing the vulnerability of the poor. Bringing more people, resulting in more money, into the financial sector can lead to overall economic growth and development and increased economic stability.

There are significant potential US exports to the project for US suppliers of ATM, POS and smartcard technologies; network of hardware and software components; identity and access management and security applications; mobile and other electronic banking applications; and consulting services for the design, development and implementation of branchless banking platforms. US suppliers of software, hardware, and consulting services are globally competitive and well positioned. These companies are Verifone, NCR, Hypercom, and Paypal. CISCO, HP, IBM, and ORACLE, have an established presence in the country. The NDA Team estimates that US exports of up to \$20 million could realistically be achieved through full implementation of the Project.

B. Project Description

Sector Overview

Ghana's financial system has undergone an intense process of restructuring and transformation in recent years. The regulatory and supervisory framework is relatively strong, backed by a modern financial infrastructure. As a result of the long-term structural improvements in the macroeconomic environment, bank credit to the private sector has increased significantly and, with the introduction of a new banking law in 2003, competition among financial institutions has soared. However, the expansion of the banking sector has also created vulnerabilities: despite strengthened supervision, an environment of rapid financial growth, intense competition, and rising funding costs has encouraged risk taking. Banks' loan portfolios are often concentrated on a few large borrowers or sectors and rapid growth of domestic branch networks, against a background of rapidly expanding cross-border operations by parent banks, has increased potential for strategic and operational risk. Largely as a result of this scenario, non-performing loans rose to 10 percent in 2009. The Bank of Ghana's (BOG's) supervisory powers remain nevertheless strong, thus enabling it to monitor systemic risks.

Following significant improvements in the financial system over the past decade, there is no doubt that the sector is now in a better shape to play the effective role of harnessing financial resources for sustainable economic growth of the country. The operating institutions include both foreign and local major banks, rural and community banks, savings and loans companies, and other finance and leasing companies. At the end of April 2008, there were 28 banks and 129 rural and community banks in Ghana. The direct impact of the recent global financial crisis on Ghana's financial system has been relatively limited and the country is projected to enjoy a "soft landing." Ghanaian banks exhibit a limited degree of integration with global markets and rely mainly on domestic funding. Credit markets remain buoyant, and financial institutions are generally stable.

However, it is estimated that 80% of Ghana's population is unbanked or does not have access to banking services. One of the highest priorities of the Government of Ghana is improving access to financial services by the unbanked communities and businesses, which is seen as critical to the development of an equitable financial sector and lead to overall economic growth and development and increased economic stability. Branchless banking represents a significantly cheaper alternative to conventional branch-based banking that allows financial institutions to offer financial services outside traditional bank premises by using delivery channels like retail agents, mobile phones etc. Branchless banking can be used to substantially increase the financial services outreach to the unbanked communities

In 2008, the Bank of Ghana (BOG) issued *Guidelines for Branchless Banking* as an enabling regulatory environment to promote branchless banking and to clarify the roles and responsibilities of the financial institutions and market partners like telecom companies, technology service providers and branchless banking agents. Addressing the concern regarding huge amounts of financial transactions taking place outside the formal banking sector in places like Kenya through the M-Pesa mobile banking system, BOG has said that branchless banking is only allowed to be undertaken by licensed deposit-taking financial institutions (bank and non-bank) or their agents. Furthermore, all customers of financial institutions undertaking branchless banking activities must be uniquely identified. Branchless banking can be done using agents like telecom operators, fuel distribution companies, merchants, the post office, etc. and using technologies not limited to mobile phone (i.e. GPRS, POS terminals). In each case the customer account relationship must reside with some financial institution and each transaction must hit the actual customer account.

In order to ensure maximum connectivity and outreach as well as interoperability, BOG has selected the Many-to-Many Model as the only permissible model in Ghana. Exclusive

partnerships are not allowed. This model offers the maximum connectivity and hence maximum outreach and is closer to the desired situation where all financial institutions and all telecom operators should be able to entertain each other's customers, just like the existing ATM network being developed in the country where customer of any bank will be able to use ATM of any other bank. Under this model, financial institutions and telecom operators are expected to join hands to offer mobile banking services to the public with central processing of transactions through the Ghana Interbank Payment and Settlement System (GHIPSS) which will: i) settle all transactions on real time basis or through a regulated clearing arrangement; ii) store all proofs of transactions and; iii) provide a day end reconciliation to all member financial institutions.

Branchless Banking Technologies

Mobile Banking – With mobile phone penetration rates in Ghana exceeding 65%, it is clear that mobile banking technologies offer an enormous opportunity to reach the unbanked population. Mobile banking is developing rapidly in Ghana, with a variety of products available to consumers, from SMS banking, payment systems for university students, and balance inquiries on savings accounts. EcoBank, UniBank, CAL bank, Fidelity Bank, GTBank, UBA, Merchant Bank, Stanbic, Zenith Bank, and Intercontinental Bank have all either launched or are developing mobile banking platforms with telecom operators such as Zain and MTN.

E-Zwich Smart Card -- The Bank of Ghana, through the Ghana Interbank Payment and Settlement System (GHIPSS), launched the E-Zwich biometric smart card in April 2008. The E-Zwich is expected to bring electronic payment to unbanked Ghanaians and can be accessed even in the remotest parts of the country where electricity and telecommunication facilities are unavailable. The E-Zwich biometric payment system has a low transaction cost with limited infrastructure needs and is able to work in the rural and informal sectors. E-Zwich features include:

- **Transaction** - The E-Zwich POS supports both online and offline transactions. This dual capability ensures that E-Zwich services can be accessed in all parts of the country whether or not the area has good communications network.
- **Security** – E-Zwich cardholders benefit from the highest security standards through the biometric (fingerprint) client authentication system. As a requirement, all fingers of a cardholder are scanned during enrolment and the templates stored on the client card. When performing any transaction, the E-Zwich device (ATM or POS), will demand the verification of the cardholder by comparing the fingerprint presented on the device scanner to any of those stored on the card.
- **Interoperability** -. Currently, all the major banks, rural banks and savings and loans companies offer services to all E-Zwich cardholders regardless of the bank that issued the card. Retail and corporate merchants are also able to offer E-Zwich services to all E-Zwich cardholders. E-Zwich cards are issued by both the GHIPSS and by commercial banks.

While the E-Zwich is a technologically advanced branchless banking solution that could have a transformative impact on the banking sector in Ghana, the actual impact since its launch has been relatively small. While there was keen interest in the technology prior to its launch by a number of commercial banks, only about 300,000 smart cards have been issued with only some fraction of those operational. A number of concerns have been raised by the banks, including the cost of issuing the smart cards, the high cost of biometrically enabled POS and ATM machines, and a fee structure, which is set by the BOG and GHIPSS, that does not encourage the expansion of the POS and ATM network.

The BOG has stated that all new switches, ATMS, Points of Sale (POS), card or mobile phone payments products issued or deployed by banks and deposit taking financial institutions must be E-Zwich compliant or interfaced with the E-Zwich platform. Furthermore, prior approval must be obtained from the Bank of Ghana for the deployment of new switches, ATMS, Points of Sale (POS), card or mobile phone payments products. Other efforts are being made to increase the penetration of the E-Zwich technology, including the use of the smart card as a vehicle for paying government employees, but there is a need to assess the overall system and business model.

Rural Banking -- Rural banks were first established in Ghana in 1976 to provide banking services to the rural population, providing credit to small-scale farmers and businesses and supporting development projects. The banks are locally owned and managed. By 2002, 115 rural banks had been established. They are supervised by the clearing bank ARB Apex Bank under the regulation of the Bank of Ghana, which owns shares in the banks.

Rural banks are the largest providers of formal financial services in rural areas and also represent about half of the total banking outlets in Ghana. By the end of 2008, these banks together had 421 branches. Including head offices, there were 548 service delivery locations spread throughout the country. As a network, RCBs have achieved a remarkable level of service delivery and financial performance. At the end of 2008, they had deposits of \$265.1 million from more than 2.8 million clients, and loans and advances of \$173.2 million with about 680,000 clients.

The ARB Apex Bank Ltd is a mini Central Bank in Ghana for the rural banks (RCBs) financed mainly through the Rural Financial Services Project (RFSP), which is a Government of Ghana project to holistically address the operational bottlenecks of the rural financial sector with the aim of broadening and deepening financial intermediation in the rural areas. The project is part of the Ghana Rural Banks Computerization and Interconnectivity Project under the MCA Ghana Program. The \$25-million project involves the construction of a data center at the ARB Apex Bank, the installation of electric generators, local area network, satellite-based Wide Area Network, and computers with accessories to link all the 126 rural banks in Ghana.

Project Requirements

The Government of Ghana recognizes that improving access to financial services by the unbanked communities and businesses is critical in the development of an equitable financial sector. Access to affordable, sustainable and secure financial services contributes directly to increasing income and reducing the vulnerability of the poor. Bringing more people, resulting in more money, into the formal financial sector can lead to overall economic growth and development and increased economic stability.

The current global trend in providing banking and other financial services, particularly in advanced and fast growing economies, is the use of Information Technology (IT) enabled methods other than bank branches. Banks and other financial institutions are able to use IT to reduce cost and to improve efficiency, reliability and security of financial services to existing customers and more importantly they are able to extend these services to new customers that have not previously been able to access these services.

The GHIPSS has requested funding from USTDA for technical assistance to improve the penetration of branchless banking technologies in the country. The Bank of Ghana and GHIPSS are responsible for ensuring the interoperability and compliance of branchless banking technologies and systems, clearing all branchless banking transactions, and initiating and operating certain technology platforms, such as the E-Zwich smartcard-based payment system and the national switch and smart card payment system. The vision of the Ghana Interbank

Payment and Settlement System (GHIPSS) is *“to migrate Ghana to an electronic payments society”*.

GHIPSS recognizes that an investment in the expansion and optimization of branchless banking systems is critical to increasing access to financial services by the currently unbanked people, communities and businesses, thereby deepening the formal financial sector, supporting financial inclusion, reducing the vulnerability of the poor and developing a more equitable financial environment. The strategies and business models should be affordable, sustainable, secure and compliant with best practices in the industry and must serve as many people as possible in Ghana. Improving access to financial services by the unbanked communities and businesses is to overall economic growth and development and increased economic stability.

GHIPSS is currently rolling-out a national switch and creating a common platform for interoperability of all of the bank's ATM machines. In addition, the various mobile money services in the country can transfer money from one network to another with ease. The national switch will also facilitate connectivity with Nigeria's interbank payment system as well as the West Africa Monetary Zone (UEMOA).

Implementing, fine tuning, and deepening of the branchless banking initiatives is necessary at this point. The TA will evaluate, develop and recommend strategies and business models for the increased utilization of new and existing technologies and systems for branchless banking. More specifically, the review and assessment should include, but not be limited to, the deployment of: E-Zwich and its biometric smartcards, POSs and ATMs; other bank card systems including POSs and ATMs; the interconnectivity of rural banks; mobile banking systems; Internet banking systems; and domestic and international wire transfer systems.

In addition to increasing access, there is a need to review and assess the current legal and regulatory frameworks that have impact on the provision of financial services to the unbanked. This should facilitate the building of the financial sector as a whole, versus focusing mostly on microfinance, and building of inclusive financial systems that serve as many people as possible in Ghana (e.g. building off of the extensive rural banking system interconnectivity project taking place with ARB APEX Bank).

Economic Fundamentals

The main economic benefit of the Project lies in increasing the size of the formal banking economy. This will have significant impact on the stability and growth of the country's financial system. Currently only about 20% of the people have bank accounts out of a population of 25 million. By increasing the size of the formal sector, more Ghanaians will have secure, interest bearing accounts while increasing their access to credit by maintaining a formal credit history. Growth in the formal banking sector also increases the capacity of the central bank to manage the overall financial system and its impact on the domestic economy through its interest rate and other monetary policy tools. Economic analysis for this Project should focus on the benefits derived by improving and extending banking and other financial services to the unbanked.

C. Project Sponsor's Capabilities and Commitment.

The Ghana Interbank Payment and Settlement System (GHIPSS) is a subsidiary of the Bank of Ghana was created in 2007. Its primary mandate is to implement and manage interoperable payment system infrastructures for banks and non-bank financial institutions in Ghana. To this date, GHIPSS has implemented the E-Zwich payment switch, check code line clearing and automated clearing house. GHIPSS has provided and maintained high standards of reliability,

integrity, and availability of all of its infrastructure and services with very low transaction rejection rates as well as system downtimes. GHIPSS attained ISO27001 information security management certification in 2009, two years after it started operations and GHIPSS' payment infrastructure is currently used by all banks in Ghana including Rural and Community Banks and Savings and Loans. GHIPPS senior management is the primary driver of the Project and has given the Project its full support.

D. Implementation Financing.

An overall economic/financial justification for the project would assist GHIPSS and commercial banks in their pursuit of internal and external financing. The financial analysis would address the introduction and/or expansion of branchless banking technologies as well as GHIPSS' own investments required to facilitate the expansion and modernization of the branchless banking system.

Based on the operational and business model established through the technical assistance and decisions by GHIPSS, financing could come from a variety of sources, including: BoG, commercial banks, international and bilateral financing institutions, export credit agencies, vendor financing, or private financing. A large number of bilateral financing institutions are active in Ghana and several have funded projects in this sector, including the MCC, Germany's KfW, and UK based DFID. DFID aid is untied while KfW aid may be limited to businesses in the Federal Republic of Germany if competition is satisfactory.

The US Export-Import Bank (ExIm) provides working capital guarantees (pre-export financing); export credit insurance; and loan guarantees and direct loans (buyer financing). Depending on ownership and US content, Ghana would be eligible for ExIm Bank support, including loans up to 12-15 years, that would be available to US and foreign companies, including foreign leasing companies, for US-made equipment, provided that the transaction is guaranteed by the full faith and credit of the host government, or if the private sector buyers of the US goods and services are adequately capitalized to make the transaction sufficiently creditworthy.

The Overseas Private Investment Corporation (OPIC) provides financing through direct loans and loan guarantees for medium to long-term funding of ventures involving significant equity and/or management participation by U.S. businesses. If the Project is developed with a minimum of 25% US investment, it would be eligible for OPIC financing.

E. U.S. Export Potential

There are significant potential US exports to the project for US suppliers of branchless banking components including ATM and POS machines, communications, hardware, software, information and physical security solutions. US suppliers of software, hardware, and consulting services are globally competitive and some are well positioned in the Ghanaian market, including IBM, Cisco, Accenture, Oracle, HP, and Gartner. The NDA Team estimates an implementation cost of \$30 million and US exports of up to \$20 million could realistically be achieved through full implementation of the Project. The following table shows realistic US exports by project component.

Project Component	Implementation Cost	Likelihood of US Exports	Realistic US Exports
ATMs and POS machines	\$10.0 million	High	\$7.0 million
Transaction Fees: Visa, Mastercard, Paypal, etc (annual)	\$5.0 million	High	\$4.0 million
AML/CFT Consulting and Auditing Services	\$1.0 million	High	\$0.5 million
Access and Physical Security	\$2.0 million	Medium	\$1.5 million
Connectivity and Redundant Hardware	\$4.0 million	High	\$3.0 million
Software Licenses and Services for Branchless Banking Systems (5 years)	\$8.0 million	Medium	\$4.0 million
TOTAL	\$30.0 million		\$20.0 million

NCR is a US manufacture of ATMs and POSs which is already selling equipment to GHIPSS. The estimated \$10 million is based on a relatively modest 5,000 biometrically enabled POS (Point of Sale) machines at \$500 per unit and 250 ATMs at \$20,000 per unit.

Potential U.S. suppliers and companies that could benefit from the proposed shared DR Project include through provision of goods and services include:

Oracle/Sun, Microsoft, Accenture (US), IBM, HP, Intel, CISCO, Juniper, Gartner, Accenture, NCR, Verifone, Hypercom, Square, Intuit GoPayment, Paypal, Visa, Mastercard and American Express.

F. Foreign Competition and Market Entry Issues.

US companies are well positioned to secure contracts during project implementation. However, European and some Asian firms are also competitive in this sector. Companies such as Ingenico and Gemalto (France), Panasonic (Japan), Cybernet and Bitel (S. Korea), Pax Technology and Fujian Landi (Hong Kong, China) are strong competitors for delivering components for branchless banking.

G. Developmental Impact.

Infrastructure – The successful deployment of branchless banking in Ghana represents a modest infrastructure build out in terms of brick and mortar bank branches. The project instead will focus on utilizing existing buildings by improving the existing buildings' HVAC, fire suppression, communications and physical security.

Human Capacity Building - If implemented, the project will entail significant ICT facility operations and management training for BoG, rural bank and commercial bank staff. It is expected that training for over 120 junior and management staff will be included in communications, software, hardware and facility procurement packages.

Technology Transfer and Productivity Improvement - If implemented, the Project will introduce state of the art branchless banking to the entire country, with resulting operating costs and productivity improvements. Such improvements will be estimated as part of the economic cost/benefit analysis for the project included in the terms of reference. All aspects of operating maintaining and managing a state of the art shared disaster recovery facility will be introduced.

Other – The Project will have significant impact to all sectors of the economy all over the country by providing efficient, reliable, safe and cost-effective banking/financial services thereby deepening the formal banking sector and delivering cost effective and secure financial services to all of Ghana. The growth of the financial sector facilitates domestic and foreign investment and economic growth.

H. Impact on the Environment.

There is potential for significant positive impact on the environment from the proposed branchless banking as compared to the traditional brick and mortar branches. Branchless banking will also reduce travel that is currently undertaken to visit traditional brick and mortar branches. Based on the limited potential negative environmental impact of the related network infrastructure, we recommend that the TOR not include a preliminary environmental impact assessment.

I. Impact on U.S. Labor.

Based upon our review, we found that the Project does not provide: (a) any financial incentive to a business enterprise currently located in the United States for the purpose of inducing such an enterprise to relocate outside the United States if such incentive or inducement is likely to reduce the number of employees of such business enterprise in the United States because United States production is being replaced by such enterprise outside the United States; (b) assistance for any project or activity that contributes to the violation of internationally recognized workers rights; or (c) direct assistance for establishing or expanding production of any commodity for export by any country other than the United States, if the commodity is likely to be in surplus on world markets at the time the resulting productive capacity is expected to become operative and if the assistance will cause substantial injury to United States producers of the same, similar, or competing commodity.

This project will assist the Ghana Interbank Payment and Settlement System (GHIPSS), a subsidiary of the Ghana central bank, an independent Government of Ghana institution to expand banking and other financial services to the unbanked resulting in the deepening of the formal financial sector. Therefore the project is not expected to have any negative impact on U.S. industry or reduce employment in the US. Positive impacts on US labor in the form of US exports and jobs in the ICT industry are expected if the project is implemented.

J. Justification.

It is universally recognized and accepted that a strong and reliable financial infrastructure is the necessary underpinning for a well functioning financial sector. A stable banking sector enhances the stability of the country's economic system, contributing to economic growth. Branchless banking expands and deepens the formal financial sector by providing banking and other financial services to those that currently do not have access to these services. Designing, implementing, operating and managing a sustainable, reliable, interoperable and secure branchless banking facility is an extremely challenging undertaking with a high risk of partial or total failure. The proposed USTDA funded study will provide the careful planning, along with world-class expertise and experience that is required to mitigate that risk.

ANNEX 3



U.S. TRADE AND DEVELOPMENT AGENCY
Arlington, VA 22209-2131

NATIONALITY, SOURCE, AND ORIGIN REQUIREMENTS

The purpose of USTDA's nationality, source, and origin requirements is to assure the maximum practicable participation of American contractors, technology, equipment and materials in the prefeasibility, feasibility, and implementation stages of a project.

USTDA STANDARD RULE (GRANT AGREEMENT STANDARD LANGUAGE):

Except as USTDA may otherwise agree, each of the following provisions shall apply to the delivery of goods and services funded by USTDA under this Grant Agreement: (a) for professional services, the Contractor must be either a U.S. firm or U.S. individual; (b) the Contractor may use U.S. subcontractors without limitation, but the use of subcontractors from host country may not exceed twenty percent (20%) of the USTDA Grant amount and may only be used for specific services from the Terms of Reference identified in the subcontract; (c) employees of U.S. Contractor or U.S. subcontractor firms responsible for professional services shall be U.S. citizens or non-U.S. citizens lawfully admitted for permanent residence in the U.S.; (d) goods purchased for implementation of the TA and associated delivery services (e.g., international transportation and insurance) must have their nationality, source and origin in the United States; and (e) goods and services incidental to TA support (e.g., local lodging, food, and transportation) in host country are not subject to the above restrictions. USTDA will make available further details concerning these standards of eligibility upon request.

NATIONALITY:

1) Rule

Except as USTDA may otherwise agree, the Contractor for USTDA funded activities must be either a U.S. firm or a U.S. individual. Prime contractors may utilize U.S.

subcontractors without limitation, but the use of host country subcontractors is limited to 20% of the USTDA grant amount.

2) Application

Accordingly, only a U.S. firm or U.S. individual may submit proposals on USTDA funded activities. Although those proposals may include subcontracting arrangements with host country firms or individuals for up to 20% of the USTDA grant amount, they may not include subcontracts with third country entities. U.S. firms submitting proposals must ensure that the professional services funded by the USTDA grant, to the extent not subcontracted to host country entities, are supplied by employees of the firm or employees of U.S. subcontractor firms who are U.S. individuals.

Interested U.S. firms and consultants who submit proposals must meet USTDA nationality requirements as of the due date for the submission of proposals and, if selected, must continue to meet such requirements throughout the duration of the USTDA-financed activity. These nationality provisions apply to whatever portion of the Terms of Reference is funded with the USTDA grant.

3) Definitions

A "U.S. individual" is (a) a U.S. citizen, or (b) a non-U.S. citizen lawfully admitted for permanent residence in the U.S. (a green card holder).

A "U.S. firm" is a privately owned firm which is incorporated in the U.S., with its principal place of business in the U.S., and which is either (a) more than 50% owned by U.S. individuals, or (b) has been incorporated in the U.S. for more than three (3) years prior to the issuance date of the request for proposals; has performed similar services in the U.S. for that three (3) year period; employs U.S. citizens in more than half of its permanent full-time positions in the U.S.; and has the existing capability in the U.S. to perform the work in question.

A partnership, organized in the U.S. with its principal place of business in the U.S., may also qualify as a "U.S. firm" as would a joint venture organized or incorporated in the United States consisting entirely of U.S. firms and/or U.S. individuals.

A nonprofit organization, such as an educational institution, foundation, or association may also qualify as a "U.S. firm" if it is incorporated in the United States and managed by a governing body, a majority of whose members are U.S. individuals.

SOURCE AND ORIGIN:

1) Rule

In addition to the nationality requirement stated above, any goods (e.g., equipment and materials) and services related to their shipment (e.g., international transportation and insurance) funded under the USTDA Grant Agreement must have their source and origin in the United States, unless USTDA otherwise agrees. However, necessary purchases of goods and project support services which are unavailable from a U.S. source (e.g., local food, housing and transportation) are eligible without specific USTDA approval.

2) Application

Accordingly, the prime contractor must be able to demonstrate that all goods and services purchased in the host country to carry out the Terms of Reference for a USTDA Grant Agreement that were not of U.S. source and origin were unavailable in the United States.

3) Definitions

"Source" means the country from which shipment is made.

"Origin" means the place of production, through manufacturing, assembly or otherwise.

Questions regarding these nationality, source and origin requirements may be addressed to the USTDA Office of General Counsel.

ANNEX 4

GRANT AGREEMENT

This Grant Agreement is entered into between the Government of the United States of America, acting through the U.S. Trade and Development Agency ("USTDA") and Ghana Interbank Payments and Settlement Systems Limited ("Grantee"). USTDA agrees to provide the Grantee under the terms of this Agreement US \$496,000 ("USTDA Grant") to fund the cost of goods and services required for technical assistance ("TA") on the proposed Branchless Banking project ("Project") in Ghana ("Host Country").

1. USTDA Funding

The funding to be provided under this Grant Agreement shall be used to fund the costs of a contract between the Grantee and the U.S. firm selected by the Grantee ("Contractor") under which the Contractor will perform the TA ("Contract"). Payment to the Contractor will be made directly by USTDA on behalf of the Grantee with the USTDA Grant funds provided under this Grant Agreement.

2. Terms of Reference

The Terms of Reference for the TA ("Terms of Reference") are attached as Annex I and are hereby made a part of this Grant Agreement. The TA will examine the technical, financial, environmental, and other critical aspects of the proposed Project. The Terms of Reference for the TA shall also be included in the Contract.

3. Standards of Conduct

USTDA and the Grantee recognize the existence of standards of conduct for public officials, and commercial entities, in their respective countries. The parties to this Grant Agreement and the Contractor shall observe these standards, which include not accepting payment of money or anything of value, directly or indirectly, from any person for the purpose of illegally or improperly inducing anyone to take any action favorable to any party in connection with the TA.

4. Grantee Responsibilities

The Grantee shall undertake its best efforts to provide reasonable support for the Contractor, such as local transportation, office space, and secretarial support.

5. USTDA as Financier

(A) USTDA Approval of Competitive Selection Procedures

Selection of the U.S. Contractor shall be carried out by the Grantee according to its established procedures for the competitive selection of contractors with advance notice of the procurement published online through *Federal Business Opportunities* (www.fedbizopps.gov). Upon request, the Grantee will submit these contracting procedures and related documents to USTDA for information and/or approval.

(B) USTDA Approval of Contractor Selection

The Grantee shall notify USTDA at the address of record set forth in Article 17 below upon selection of the Contractor to perform the TA. Upon approval of this selection by USTDA, the Grantee and the Contractor shall then enter into a contract for performance of the TA. The Grantee shall notify in writing the U.S. firms that submitted unsuccessful proposals to perform the TA that they were not selected.

(C) USTDA Approval of Contract Between Grantee and Contractor

The Grantee and the Contractor shall enter into a contract for performance of the TA. This contract, and any amendments thereto, including assignments and changes in the Terms of Reference, must be approved by USTDA in writing. To expedite this approval, the Grantee (or the Contractor on the Grantee's behalf) shall transmit to USTDA, at the address set forth in Article 17 below, a photocopy of an English language version of the signed contract or a final negotiated draft version of the contract.

(D) USTDA Not a Party to the Contract

It is understood by the parties that USTDA has reserved certain rights such as, but not limited to, the right to approve the terms of the contract and any amendments thereto, including assignments, the selection of all contractors, the Terms of Reference, the Final Report, and any and all documents related to any contract funded under the Grant Agreement. The parties hereto further understand and agree that USTDA, in reserving any or all of the foregoing approval rights, has acted solely as a financing entity to assure the proper use of United States Government funds, and that any decision by USTDA to exercise or refrain from exercising these approval rights shall be made as a financier in the course of funding the TA and shall not be construed as making USTDA a party to the contract. The parties hereto understand and agree that USTDA may, from time to time, exercise the foregoing approval rights, or discuss matters related to these rights and the Project with the parties to the contract or any subcontract, jointly or separately, without thereby incurring any responsibility or liability to such parties. Any approval or failure to approve by USTDA shall not bar the Grantee or USTDA from asserting any right they might have against the

Contractor, or relieve the Contractor of any liability which the Contractor might otherwise have to the Grantee or USTDA.

(E) Grant Agreement Controlling

Regardless of USTDA approval, the rights and obligations of any party to the contract or subcontract thereunder must be consistent with this Grant Agreement. In the event of any inconsistency between the Grant Agreement and any contract or subcontract funded by the Grant Agreement, the Grant Agreement shall be controlling.

6. Disbursement Procedures

(A) USTDA Approval of Contract Required

USTDA will make disbursements of Grant funds directly to the Contractor only after USTDA approves the Grantee's contract with the Contractor.

(B) Contractor Invoice Requirements

The Grantee should request disbursement of funds by USTDA to the Contractor for performance of the TA by submitting invoices in accordance with the procedures set forth in the USTDA Mandatory Clauses in Annex II.

7. Effective Date

The effective date of this Grant Agreement ("Effective Date") shall be the date of signature by both parties or, if the parties sign on different dates, the date of the last signature.

8. TA Schedule

(A) TA Completion Date

The completion date for the TA, which is August 31, 2013, is the date by which the parties estimate that the TA will have been completed.

(B) Time Limitation on Disbursement of USTDA Grant Funds

Except as USTDA may otherwise agree, (a) no USTDA funds may be disbursed under this Grant Agreement for goods and services which are provided prior to the Effective Date of the Grant Agreement; and (b) all funds made available under the Grant Agreement must be disbursed within four (4) years from the Effective Date of the Grant Agreement.

9. USTDA Mandatory Clauses

All contracts funded under this Grant Agreement shall include the USTDA mandatory clauses set forth in Annex II to this Grant Agreement. All subcontracts funded or partially funded with USTDA Grant funds shall include the USTDA mandatory clauses, except for clauses B(1), G, H, I, and J.

10. Use of U.S. Carriers

(A) Air

Transportation by air of persons or property funded under the Grant Agreement shall be on U.S. flag carriers in accordance with the Fly America Act, 49 U.S.C. 40118, to the extent service by such carriers is available, as provided under applicable U.S. Government regulations.

(B) Marine

Transportation by sea of property funded under the Grant Agreement shall be on U.S. carriers in accordance with U.S. cargo preference law.

11. Nationality, Source and Origin

Except as USTDA may otherwise agree, the following provisions shall govern the delivery of goods and services funded by USTDA under the Grant Agreement: (a) for professional services, the Contractor must be either a U.S. firm or U.S. individual; (b) the Contractor may use U.S. subcontractors without limitation, but the use of subcontractors from Host Country may not exceed twenty percent (20%) of the USTDA Grant amount and may only be used for specific services from the Terms of Reference identified in the subcontract; (c) employees of U.S. Contractor or U.S. subcontractor firms responsible for professional services shall be U.S. citizens or non-U.S. citizens lawfully admitted for permanent residence in the U.S.; (d) goods purchased for performance of the TA and associated delivery services (e.g., international transportation and insurance) must have their nationality, source and origin in the United States; and (e) goods and services incidental to TA support (e.g., local lodging, food, and transportation) in Host Country are not subject to the above restrictions. USTDA will make available further details concerning these provisions upon request.

12. Taxes

USTDA funds provided under the Grant Agreement shall not be used to pay any taxes, tariffs, duties, fees or other levies imposed under laws in effect in Host Country. Neither the Grantee nor the Contractor will seek reimbursement from USTDA for such taxes, tariffs, duties, fees or other levies.

13. Cooperation Between Parties and Follow-Up

The parties will cooperate to assure that the purposes of the Grant Agreement are accomplished. For five (5) years following receipt by USTDA of the Final Report (as defined in Clause I of Annex II), the Grantee agrees to respond to any reasonable inquiries from USTDA about the status of the Project.

14. Implementation Letters

To assist the Grantee in the implementation of the TA, USTDA may, from time to time, issue implementation letters that will provide additional information about matters covered by the Grant Agreement. The parties may also use jointly agreed upon implementation letters to confirm and record their mutual understanding of matters covered by the Grant Agreement.

15. Recordkeeping and Audit

The Grantee agrees to maintain books, records, and other documents relating to the TA and the Grant Agreement adequate to demonstrate implementation of its responsibilities under the Grant Agreement, including the selection of contractors, receipt and approval of contract deliverables, and approval or disapproval of contractor invoices for payment by USTDA. Such books, records, and other documents shall be separately maintained for three (3) years after the date of the final disbursement by USTDA. The Grantee shall afford USTDA or its authorized representatives the opportunity at reasonable times to review books, records, and other documents relating to the TA and the Grant Agreement.

16. Representation of Parties

For all purposes relevant to the Grant Agreement, the Government of the United States of America will be represented by the U. S. Ambassador to Host Country or USTDA and Grantee will be represented by the Chief Executive Officer. The parties hereto may, by written notice, designate additional representatives for all purposes under the Grant Agreement.

17. Addresses of Record for Parties

Any notice, request, document, or other communication submitted by either party to the other under the Grant Agreement shall be in writing or through a wire or electronic medium which produces a tangible record of the transmission, such as a telegram, cable or facsimile, and will be deemed duly given or sent when delivered to such party at the following:

To: Ghana Interbank Payments and Settlement Systems Limited
#23, Seventh Avenue, Ridge West
P.M.B. GPO, Accra, Ghana

Phone: +233 302 610780
Fax: +233 302 671757
E-mail: info@ghipss.com

To: U.S. Trade and Development Agency
1000 Wilson Boulevard, Suite 1600
Arlington, Virginia 22209-3901
USA

Phone: (703) 875-4357
Fax: (703) 875-4009

All such communications shall be in English, unless the parties otherwise agree in writing. In addition, the Grantee shall provide the Commercial Section of the U.S. Embassy in Host Country with a copy of each communication sent to USTDA.

Any communication relating to this Grant Agreement shall include the following fiscal data:

Appropriation No.: 11 11/12 1001
Activity No.: 2011-11026A
Reservation No.: 2011277
Grant No.: GH201111277

18. Termination Clause

Either party may terminate the Grant Agreement by giving the other party thirty (30) days advance written notice. The termination of the Grant Agreement will end any obligations of the parties to provide financial or other resources for the TA, except for payments which they are committed to make pursuant to noncancellable commitments entered into with third parties prior to the written notice of termination.

19. Non-waiver of Rights and Remedies

No delay in exercising any right or remedy accruing to either party in connection with the Grant Agreement shall be construed as a waiver of such right or remedy.

20. U.S. Technology and Equipment

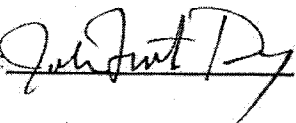
By funding this TA, USTDA seeks to promote the project objectives of the Host Country through the use of U.S. technology, goods, and services. In recognition of this purpose, the Grantee agrees that it will allow U.S. suppliers to compete in the procurement of technology, goods and services needed for Project implementation.

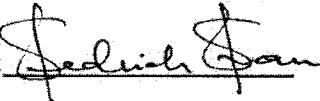
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IN WITNESS WHEREOF, the Government of the United States of America and Ghana Interbank Payments and Settlement Systems Limited, each acting through its duly authorized representative, have caused this Agreement to be signed in the English language in their names and delivered as of the day and year written below. In the event that this Grant Agreement is signed in more than one language, the English language version shall govern.

For the Government of the
United States of America

For Ghana Interbank Payments
and Settlement Systems Limited

By: 

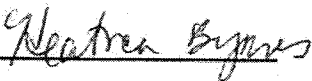
By: 


Date: August 12, 2011

Date: 12th August 2011

Witnessed:

Witnessed:

By: 

By: 

Annex I -- Terms of Reference

Annex II -- USTDA Mandatory Clauses

Annex I

Terms of Reference

The purpose of this TA is to assist the Grantee in determining the ideal business and operational models to support the further deployment of electronic banking infrastructure in Ghana. The TA shall also make technical recommendations on ICT infrastructure which must be implemented to support electronic financial transactions in Ghana. In carrying out the TA, the Contractor shall complete the following tasks:

Task 1: Document Review, Stakeholder Consultation, and Work Plan

1.1: Document Review: The Grantee shall provide the Contractor with all available documentation related to the Project including all relevant data and reports regarding historical and planned utilization of branchless banking products and services in Ghana and the Grantee's strategic plans. The Contractor shall review all of the information available.

1.2: Kickoff Meeting, Stakeholder Consultations, and Work Plan: The Contractor shall conduct a kickoff meeting with the Grantee and other financial sector stakeholders identified by the Grantee. The meeting shall take place at the Grantee's facilities or at another appropriate venue agreed upon by the Contractor and the Grantee. The Grantee shall be responsible for the cost of the meeting venue. The Contractor shall engage the Grantee and other financial sector stakeholders in a discussion about the Project and gain an understanding of the various entities' perspectives and priorities with respect to the Project. The Contractor shall gather input from the Grantee regarding the Grantee's goals for the TA, and salient issues surrounding the Project. The Contractor shall develop a work plan for performing the tasks under these Terms of Reference.

1.3: Case Study and Sector Review: The Contractor shall research and review case studies for the implementation of branchless banking systems in other countries, particularly those with similar levels of economic development. The Contractor's review shall include, at least: Brazil, Philippines, Cambodia, India, South Africa, Malawi, Guatemala, Mexico and Malawi (including its deployment of the Malswitch). The Contractor's review shall include discussion of the technologies, infrastructure, and branchless banking systems currently available globally, as well as potential or proposed upcoming technologies. The Contractor's review shall include an assessment of these technologies' current utilization and interoperability with other technologies and systems, and security standards for digital financial transactions. The Contractor's review shall include an assessment of the operational models and business models implemented.

Task 1 Deliverable: The Contractor shall prepare a report of all work performed under Task 1. The Task 1 Deliverable shall be included in the Final Report.

Task 2: Assessment of Network and Branchless Banking Infrastructure

2.1: High-Level Network Infrastructure Assessment: The Contractor shall undertake a high-level assessment of Ghana's network infrastructure upon which branchless banking systems will be operated. The Contractor shall review and assess the network infrastructure in place, as well as planned developments. The Contractor's assessment shall include fiber optic cable, VSAT, and satellite systems as well as international connection points. The Contractor shall assess the network's current availability and operational aspects including security, cost, reliability, and bandwidth. The Contractor shall develop a timeline indicating likely developments in Ghana's network infrastructure for the next five years.

2.2: Review and Assessment for Branchless Banking Systems: The Contractor shall inspect, review, and assess the existing branchless banking systems in Ghana. The Contractor shall assess the market for new and existing branchless banking systems in Ghana. The Contractor's review and assessment shall include, at least, the eZwich system and other bank card and biometric card systems, point of sale (POS) machines, automated teller machines (ATMs), the interconnectivity of rural banks, mobile banking systems, internet banking systems, and domestic and international wire transfer systems. The Contractor shall perform site visits to places where branchless banking systems are in use or planned for including, at least, Accra, Kumasi, Cape Coast, and at least two other smaller towns and villages.

2.3: Risk Analysis: The Contractor shall perform a qualitative risk analysis for the implementation and operation of existing and planned branchless banking systems. The Contractor's analysis shall take into account, at least, the results of the Contractor's site visits in Task 2.2. above, the Contractor's review and assessment of existing branchless banking systems in Task 2.2 above, the Contractor's case study review in Task 1.3 above, and input collected from the Grantee and other financial sector stakeholders. The Contractor's analysis shall assess, at least, the risks associated with the Project for rural banks, commercial banks, the Grantee, and end users of branchless banking systems. The Contractor's risk analysis shall include, at least, security, privacy, economic, and financial risks.

Task 2 Deliverable: The Contractor shall prepare a report of all work performed under Task 2. The Task 2 Deliverable shall be included in the Final Report.

Task 3: Regulatory, Policy, and Institutional Assessment

3.1: Regulatory, Policy and Institutional Issues: The Contractor shall perform a review of regulatory, policy and institutional issues related to the Project. The Contractor's review shall consider, at least:

- regulation and oversight of branchless banking;
- operation of branchless banking systems;

- establishment of terms of use including rules and regulations for both providers and users of branchless banking systems;
- physical and information security and privacy issues;
- establishment of auditing and benchmarking standards for branchless banking systems; and
- fee structures for the use of branchless banking systems.

The Contractor shall make recommendations regarding regulatory, policy and institutional requirements and changes necessary for the successful implementation of the Project.

3.2: Draft Standards: The Contractor shall review existing industry standards and international best practices for branchless banking systems. The Contractor shall develop a draft set of standards for the branchless banking systems in Ghana to allow secure, reliable, cost-effective, and interoperable branchless banking systems in Ghana.

Task 3 Deliverable: The Contractor shall prepare a report of all work performed under Task 3. The Task 3 Deliverable shall be included in the Final Report.

Task 4: Technical, Operational, and Business Requirements

The Contractor shall make recommendations on technical requirements, operational models, and business models capable of meeting the draft standards for branchless banking developed in Task 3.2 above. The Contractor's recommendations under Task 4 shall benefit both private operators of branchless banking systems including rural and commercial banks, and the Grantee in its role of ensuring the interoperability and regulatory compliance of branchless banking, clearing all branchless banking transactions, and initiating and operating certain technology platforms.

4.1: Technical Requirements: Based on the Contractor's assessment in Task 2 above, the Contractor shall develop technical requirements for the Project. The Contractor's recommendations shall include, at least:

- flexibility, scalability, and interoperability of branchless banking platforms;
- identity management;
- KYC (know your customer) due diligence;
- user interface;
- communication and network requirements;
- anti-money laundering (AML) capabilities;
- security and access management; and
- information security and privacy.

4.2: Operational Model: The Contractor shall recommend an operational model for the Project. The Contractor's recommendations shall include, at least:

- role of eZwich;

- role of the rural banks;
- role, structure and placement of branchless banking components (e.g. POS machines, ATMs, etc.) including supervision and development requirements;
- recommendations on how to develop service level agreements (SLA) and corresponding availability metrics for branchless banking components; and
- use of third party service providers.

4.3: Business Model: The Contractor shall recommend a business model for the Project. The recommended business model shall focus on affordability for potential users of branchless banking systems in Ghana; accessibility for as many people in Ghana as possible; commercial and economic sustainability; security; and compliance with industry best practices. The Contractor's recommendations shall consider, at least:

- implementation options;
- operation costs;
- life-cycle cost of equipment;
- shared fee structures;
- strategies for implementing and promoting the Project.

Task 4 Deliverable: The Contractor shall prepare a report of all work performed under Task 4. The Task 4 Deliverable shall be included in the Final Report.

Task 5: U.S. Sources of Supply

The Contractor shall conduct an assessment of available U.S. sources of supply for the Project. U.S. sources of supply shall include U.S. providers of the different categories of goods and services required for Project implementation. For each source identified, the Contractor shall include: company name, point of contact, address, telephone, fax, e-mail, and relevant goods and services provided. The Contractor shall contact at least 20 potential U.S. equipment, technology, and service providers for the Project, and compile a list of those companies that express interest in participating in the Project.

Task 5 Deliverable: The Contractor shall prepare a report of all work performed under Task 5. The Task 5 Deliverable shall be included in the Final Report.

Task 6: Economic and Financial Analysis

6.1: Economic Analysis: The Contractor shall perform an economic cost-benefit analysis of the Project, including an analysis of competing alternative methods of achieving the objectives for the Project. The Contractor shall perform a financial analysis of the Project, including internal rate of return (IRR) and return on investment (ROI), and make recommendations regarding financing options for implementation.

6.2: Sources of Financing: The Contractor shall identify and contact potential sources of financing to assess their interest in providing financing for the proposed investments by

the Grantee. Sources shall include, at least, multilateral and bilateral financing institutions, including the U.S. Export-Import Bank.

Task 6 Deliverable: The Contractor shall prepare a report of all work performed under Task 6. The Task 6 Deliverable shall be included in the Final Report.

Task 7: Capacity Building Workshops

7.1 Capacity Building: The Contractor shall provide at least 10 days of capacity building covering at least two topic areas. The capacity building shall include at least 30 participants from the Grantee and other key stakeholders identified by the Grantee. The Grantee shall be responsible for the cost of the venue for the capacity building workshops. The Contractor shall provide all workshop participants with an agenda, workbooks, reference materials, and other handouts or presentation materials, as needed; conduct the training; and maintain training records, including the agenda, workbooks, reference materials, any handouts or presentation materials, a list of all workshop participants, and a description of the workshop. The capacity building topic areas shall be determined through consultation with the Grantee. Prospective topic areas include, but are not limited to, the following:

- implementation of branchless banking in other countries and corresponding model for Ghana;
- due diligence and know your customer (KYC);
- anti-money laundering (AML) and Financial Terrorism (CFT) requirements; and
- establishing and enforcing Service Level Agreements (SLA) for branchless banking agents.

7.2: Future Capacity Building Requirements: The Contractor shall perform an assessment of the Grantees' capacity to implement and manage the Project, and shall make recommendations for future capacity building to be provided by equipment and technology vendors through Project related procurements. The Contractor shall estimate the expected costs of the required capacity building and recommend a long-term capacity building schedule for the Grantee. The Contractor's recommendations shall take the Grantee's budgetary resources into consideration. The recommended long-term capacity building schedule shall be incorporated into the Implementation Plan in Task 8 below.

Task 7 Deliverable: The Contractor shall prepare a report of all work performed under Task 7. The Task 7 Deliverable shall be included in the Final Report.

Task 8: Implementation Plan

8.1: Final Recommendations: The Contractor shall prepare a draft Final Recommendations to the Grantee which shall incorporate all of the Contractor's recommendations in Tasks 1-7 above. The Final Recommendations shall consider alternative approaches to implementation taking into account priorities based on likely available budget.

The Contractor will develop a detailed Implementation Plan and timeline, including the use of pilot projects to test certain concepts recommended by the Contractor in Tasks 1-7 above. The Implementation Plan shall also include staffing and training requirements, and maintenance requirements for all equipment and facilities necessary for the Project.

8.2: Implementation Plan: The Contractor shall prepare draft technical sections of the tender documents and tender evaluation criteria for the recommended systems for implementation of the Project.

8.3: Executive Summary: The Contractor shall prepare an Executive Summary of the Project which shall be intended to present to prospective donors and financiers interested in the Project. The Executive Summary shall include the Final Recommendations and Implementation Plan prepared in Tasks 8.1 and 8.2 above.

8.4: Final Presentation: The Contractor shall present the Final Recommendations, Implementation Plan, and Executive Summary prepared in Tasks 8.1-8.3 above to the Grantee and other financial sector stakeholders identified by the Grantee. The Contractor shall, in consultation with the Grantee, invite prospective sources of implementation financing to participate in the Final Presentation. The Contractor shall consult with key stakeholders during this process. The Final Presentation shall include financing agencies that have demonstrated interest in providing financing for the Project.

Task 8 Deliverable: The Contractor shall prepare a report of all work performed under Task 8. The Task 8 Deliverable shall be included in the Final Report.

Task 9: Developmental Impact Assessment

The Contractor shall report on the anticipated development impacts of the Project if implemented according to the Contractor's recommendations in Tasks 1-8 above. The Contractor's analysis shall be as concrete and detailed as possible. The Contractor shall provide estimates of the Project's potential benefits in the following areas:

- *Infrastructure:* The Contractor shall identify the anticipated infrastructure impacts of the Project, giving a brief synopsis and concrete examples of infrastructure impacts. Examples of infrastructure impacts related to Project implementation may include the deployment of new ATMs and POS machines.
- *Human Capacity Building:* The Contractor shall identify the anticipated number and types of local jobs that would be created or retained as a result of the Project. The Contractor shall also identify the number of local people who would receive training and the types of training programs required for the Project. The Contractor shall not include training performed under these Terms of Reference in the development impact assessment.

- *Technology Transfer and Productivity Enhancement:* The Contractor shall identify the anticipated advanced technologies that would be utilized for the Project. The Contractor shall also identify anticipated efficiencies that would be gained as a result of the Project. Examples of efficiencies related to Project implementation may include lower transaction costs for businesses, more rapid access to banking services, etc.
- *Market Oriented Reforms:* The Contractor shall provide a description of any regulations, laws, or institutional changes that are recommended pursuant to these Terms of Reference and the effect they would have if implemented.
- *Other:* The Contractor shall identify any other anticipated development impacts or benefits that would result from the Project, such as positive spin-off effects on other economic sectors, increased private sector participation, greater inclusion in the financial sector, etc.

Task 9 Deliverable: The Contractor shall prepare a report of all work performed under Task 9. The Task 9 Deliverable shall be included in the Final Report.

Task 10: Final Report

The Contractor shall prepare and deliver to the Grantee and USTDA a substantive and comprehensive final report of all work performed under these Terms of Reference ("Final Report"). The Final Report shall be organized according to the above tasks, and shall include all deliverables and documents that have been provided to the Grantee including all training materials and handouts prepared for the capacity building workshops. The Final Report shall be prepared in accordance with Clause I of Annex II of the Grant Agreement.

Notes:

- (1) The Contractor is responsible for compliance with U.S. export licensing requirements, if applicable, in the performance of the Terms of Reference.
- (2) The Contractor and the Grantee shall be careful to ensure that the public version of the Final Report contains no security or confidential information.
- (3) The Grantee and USTDA shall have an irrevocable, worldwide, royalty-free, non-exclusive right to use and distribute the Final Report and all work product that is developed under these Terms of Reference.

Annex II

USTDA Mandatory Contract Clauses

A. USTDA Mandatory Clauses Controlling

The parties to this contract acknowledge that this contract is funded in whole or in part by the U.S. Trade and Development Agency ("USTDA") under the Grant Agreement between the Government of the United States of America acting through USTDA and Ghana Interbank Payments and Settlement Systems Limited ("Client"), dated _____ ("Grant Agreement"). The Client has selected _____ ("Contractor") to perform the feasibility TA ("TA") for the Branchless Banking project ("Project") in Ghana ("Host Country"). Notwithstanding any other provisions of this contract, the following USTDA mandatory contract clauses shall govern. All subcontracts entered into by Contractor funded or partially funded with USTDA Grant funds shall include these USTDA mandatory contract clauses, except for clauses B(1), G, H, I, and J. In addition, in the event of any inconsistency between the Grant Agreement and any contract or subcontract thereunder, the Grant Agreement shall be controlling.

B. USTDA as Financier

(1) USTDA Approval of Contract

All contracts funded under the Grant Agreement, and any amendments thereto, including assignments and changes in the Terms of Reference, must be approved by USTDA in writing in order to be effective with respect to the expenditure of USTDA Grant funds. USTDA will not authorize the disbursement of USTDA Grant funds until the contract has been formally approved by USTDA or until the contract conforms to modifications required by USTDA during the contract review process.

(2) USTDA Not a Party to the Contract

It is understood by the parties that USTDA has reserved certain rights such as, but not limited to, the right to approve the terms of this contract and amendments thereto, including assignments, the selection of all contractors, the Terms of Reference, the Final Report, and any and all documents related to any contract funded under the Grant Agreement. The parties hereto further understand and agree that USTDA, in reserving any or all of the foregoing approval rights, has acted solely as a financing entity to assure the proper use of United States Government funds, and that any decision by USTDA to exercise or refrain from exercising these approval rights shall be made as a financier in the course of financing the TA and shall not be construed as making USTDA a party to the contract. The parties hereto understand and agree that USTDA may, from time to time, exercise the foregoing approval rights, or discuss matters related to these rights and the Project with the parties to the contract or any subcontract, jointly or separately, without thereby incurring any responsibility or liability to such parties. Any approval or failure to approve by USTDA shall not bar

the Client or USTDA from asserting any right they might have against the Contractor, or relieve the Contractor of any liability which the Contractor might otherwise have to the Client or USTDA.

C. Nationality, Source and Origin

Except as USTDA may otherwise agree, the following provisions shall govern the delivery of goods and services funded by USTDA under the Grant Agreement: (a) for professional services, the Contractor must be either a U.S. firm or U.S. individual; (b) the Contractor may use U.S. subcontractors without limitation, but the use of subcontractors from Host Country may not exceed twenty percent (20%) of the USTDA Grant amount and may only be used for specific services from the Terms of Reference identified in the subcontract; (c) employees of U.S. Contractor or U.S. subcontractor firms responsible for professional services shall be U.S. citizens or non-U.S. citizens lawfully admitted for permanent residence in the U.S.; (d) goods purchased for performance of the TA and associated delivery services (e.g., international transportation and insurance) must have their nationality, source and origin in the United States; and (e) goods and services incidental to TA support (e.g., local lodging, food, and transportation) in Host Country are not subject to the above restrictions. USTDA will make available further details concerning these provisions upon request.

D. Recordkeeping and Audit

The Contractor and subcontractors funded under the Grant Agreement shall maintain, in accordance with generally accepted accounting procedures, books, records, and other documents, sufficient to reflect properly all transactions under or in connection with the contract. These books, records, and other documents shall clearly identify and track the use and expenditure of USTDA funds, separately from other funding sources. Such books, records, and documents shall be maintained during the contract term and for a period of three (3) years after final disbursement by USTDA. The Contractor and subcontractors shall afford USTDA, or its authorized representatives, the opportunity at reasonable times for inspection and audit of such books, records, and other documentation.

E. U.S. Carriers

(1) Air

Transportation by air of persons or property funded under the Grant Agreement shall be on U.S. flag carriers in accordance with the Fly America Act, 49 U.S.C. 40118, to the extent service by such carriers is available, as provided under applicable U.S. Government regulations.

(2) Marine

Transportation by sea of property funded under the Grant Agreement shall be on U.S. carriers in accordance with U.S. cargo preference law.

F. Workman's Compensation Insurance

The Contractor shall provide adequate Workman's Compensation Insurance coverage for work performed under this Contract.

G. Reporting Requirements

The Contractor shall advise USTDA by letter as to the status of the Project on March 1st annually for a period of two (2) years after completion of the TA. In addition, if at any time the Contractor receives follow-on work from the Client, the Contractor shall so notify USTDA and designate the Contractor's contact point including name, telephone, and fax number. Since this information may be made publicly available by USTDA, any information which is confidential shall be designated as such by the Contractor and provided separately to USTDA. USTDA will maintain the confidentiality of such information in accordance with applicable law.

H. Disbursement Procedures

(1) USTDA Approval of Contract

Disbursement of Grant funds will be made only after USTDA approval of this contract. To make this review in a timely fashion, USTDA must receive from either the Client or the Contractor a photocopy of an English language version of a signed contract or a final negotiated draft version to the attention of the General Counsel's office at USTDA's address listed in Clause M below.

(2) Payment Schedule Requirements

A payment schedule for disbursement of Grant funds to the Contractor shall be included in this Contract. Such payment schedule must conform to the following USTDA requirements: (1) up to twenty percent (20%) of the total USTDA Grant amount may be used as a mobilization payment; (2) all other payments, with the exception of the final payment, shall be based upon contract performance milestones; and (3) the final payment may be no less than fifteen percent (15%) of the total USTDA Grant amount, payable upon receipt by USTDA of an approved Final Report in accordance with the specifications and quantities set forth in Clause I below. Invoicing procedures for all payments are described below.

(3) Contractor Invoice Requirements

USTDA will make all disbursements of USTDA Grant funds directly to the Contractor. The Contractor must provide USTDA with an ACH Vendor Enrollment Form (available from USTDA) with the first invoice. The Client shall request disbursement of funds by USTDA to the Contractor for performance of the contract by submitting the following to USTDA:

(a) Contractor's Invoice

The Contractor's invoice shall include reference to an item listed in the Contract payment schedule, the requested payment amount, and an appropriate certification by the Contractor, as follows:

(i) For a mobilization payment (if any):

"As a condition for this mobilization payment, the Contractor certifies that it will perform all work in accordance with the terms of its Contract with the Client. To the extent that the Contractor does not comply with the terms and conditions of the Contract, including the USTDA mandatory provisions contained therein, it will, upon USTDA's request, make an appropriate refund to USTDA. "

(ii) For contract performance milestone payments:

"The Contractor has performed the work described in this invoice in accordance with the terms of its contract with the Client and is entitled to payment thereunder. To the extent the Contractor has not complied with the terms and conditions of the Contract, including the USTDA mandatory provisions contained therein, it will, upon USTDA's request, make an appropriate refund to USTDA."

(iii) For final payment:

"The Contractor has performed the work described in this invoice in accordance with the terms of its contract with the Client and is entitled to payment thereunder. Specifically, the Contractor has submitted the Final Report to the Client, as required by the Contract, and received the Client's approval of the Final Report. To the extent the Contractor has not complied with the terms and conditions of the Contract, including the USTDA mandatory provisions contained therein, it will, upon USTDA's request, make an appropriate refund to USTDA."

(b) Client's Approval of the Contractor's Invoice

(i) The invoice for a mobilization payment must be approved in writing by the Client.

(ii) For contract performance milestone payments, the following certification by the Client must be provided on the invoice or separately:

"The services for which disbursement is requested by the Contractor have been performed satisfactorily, in accordance with applicable Contract provisions and the terms and conditions of the USTDA Grant Agreement."

(iii) For final payment, the following certification by the Client must be provided on the invoice or separately:

"The services for which disbursement is requested by the Contractor have been performed satisfactorily, in accordance with applicable Contract provisions and terms and conditions of the USTDA Grant Agreement. The Final Report submitted by the Contractor has been reviewed and approved by the Client. "

(c) USTDA Address for Disbursement Requests

Requests for disbursement shall be submitted by courier or mail to the attention of the Finance Department at USTDA's address listed in Clause M below.

(4) Termination

In the event that the Contract is terminated prior to completion, the Contractor will be eligible, subject to USTDA approval, for reasonable and documented costs which have been incurred in performing the Terms of Reference prior to termination, as well as reasonable wind down expenses. Reimbursement for such costs shall not exceed the total amount of undisbursed Grant funds. Likewise, in the event of such termination, USTDA is entitled to receive from the Contractor all USTDA Grant funds previously disbursed to the Contractor (including but not limited to mobilization payments) which exceed the reasonable and documented costs incurred in performing the Terms of Reference prior to termination.

I. USTDA Final Report

(1) Definition

"Final Report" shall mean the Final Report described in the attached Annex I Terms of Reference or, if no such "Final Report" is described therein, "Final Report" shall mean a substantive and comprehensive report of work performed in accordance with the attached Annex I Terms of Reference, including any documents delivered to the Client.

(2) Final Report Submission Requirements

The Contractor shall provide the following to USTDA:

(a) One (1) complete version of the Final Report for USTDA's records. This version shall have been approved by the Client in writing and must be in the English language. It is the responsibility of the Contractor to ensure that confidential information, if any, contained in this version be clearly marked. USTDA will maintain the confidentiality of such information in accordance with applicable law.

and

(b) One (1) copy of the Final Report suitable for public distribution ("Public Version"). The Public Version shall have been approved by the Client in writing and must be in the English language. As this version will be available for public distribution, it must not contain any confidential information. If the report in (a) above contains no confidential information, it may be used as the Public Version. In any event, the Public Version must be informative and contain sufficient Project detail to be useful to prospective equipment and service providers.

and

(c) Two (2) CD-ROMs, each containing a complete copy of the Public Version of the Final Report. The electronic files on the CD-ROMs shall be submitted in a commonly accessible read-only format. As these CD-ROMs will be available for public distribution, they must not contain any confidential information. It is the responsibility of the Contractor to ensure that no confidential information is contained on the CD-ROMs.

The Contractor shall also provide one (1) copy of the Public Version of the Final Report to the Foreign Commercial Service Officer or the Economic Section of the U.S. Embassy in Host Country for informational purposes.

(3) Final Report Presentation

All Final Reports submitted to USTDA must be paginated and include the following:

(a) The front cover of every Final Report shall contain the name of the Client, the name of the Contractor who prepared the report, a report title, USTDA's logo, USTDA's mailing and delivery addresses. If the complete version of the Final Report contains confidential information, the Contractor shall be responsible for labeling the front cover of that version of the Final Report with the term "Confidential Version." The Contractor shall be responsible for labeling the front cover of the Public Version of the Final Report with the term "Public Version." The front cover of every Final Report shall also contain the following disclaimer:

"This report was funded by the U.S. Trade and Development Agency (USTDA), an agency of the U. S. Government. The opinions, findings, conclusions or recommendations expressed in this document are those of the author(s) and do not necessarily represent the official position or policies of

USTDA. USTDA makes no representation about, nor does it accept responsibility for, the accuracy or completeness of the information contained in this report."

(b) The inside front cover of every Final Report shall contain USTDA's logo, USTDA's mailing and delivery addresses, and USTDA's mission statement. Camera-ready copy of USTDA Final Report specifications will be available from USTDA upon request.

(c) The Contractor shall affix to the front of the CD-ROM a label identifying the Host Country, USTDA Activity Number, the name of the Client, the name of the Contractor who prepared the report, a report title, and the following language:

"The Contractor certifies that this CD-ROM contains the Public Version of the Final Report and that all contents are suitable for public distribution."

(d) The Contractor and any subcontractors that perform work pursuant to the Grant Agreement must be clearly identified in the Final Report. Business name, point of contact, address, telephone and fax numbers shall be included for Contractor and each subcontractor.

(e) The Final Report, while aiming at optimum specifications and characteristics for the Project, shall identify the availability of prospective U.S. sources of supply. Business name, point of contact, address, telephone and fax numbers shall be included for each commercial source.

(f) The Final Report shall be accompanied by a letter or other notation by the Client which states that the Client approves the Final Report. A certification by the Client to this effect provided on or with the invoice for final payment will meet this requirement.

J. Modifications

All changes, modifications, assignments or amendments to this contract, including the appendices, shall be made only by written agreement by the parties hereto, subject to written USTDA approval.

K. TA Schedule

(1) TA Completion Date

The completion date for the TA, which is August 31, 2013, is the date by which the parties estimate that the TA will have been completed.

(2) Time Limitation on Disbursement of USTDA Grant Funds

Except as USTDA may otherwise agree, (a) no USTDA funds may be disbursed under this contract for goods and services which are provided prior to the Effective Date of the Grant Agreement; and (b) all funds made available under the Grant Agreement must be disbursed within four (4) years from the Effective Date of the Grant Agreement.

L. Business Practices

The Contractor agrees not to pay, promise to pay, or authorize the payment of any money or anything of value, directly or indirectly, to any person (whether a governmental official or private individual) for the purpose of illegally or improperly inducing anyone to take any action favorable to any party in connection with the TA. The Client agrees not to receive any such payment. The Contractor and the Client agree that each will require that any agent or representative hired to represent them in connection with the TA will comply with this paragraph and all laws which apply to activities and obligations of each party under this Contract, including but not limited to those laws and obligations dealing with improper payments as described above.

M. USTDA Address and Fiscal Data

Any communication with USTDA regarding this Contract shall be sent to the following address and include the fiscal data listed below:

U.S. Trade and Development Agency
1000 Wilson Boulevard, Suite 1600
Arlington, Virginia 22209-3901
USA

Phone: (703) 875-4357
Fax: (703) 875-4009

Fiscal Data:

Appropriation No.: 11 11/12 1001
Activity No.: 2011-11026A
Reservation No.: 2011277
Grant No.: GH201111277

N. Definitions

All capitalized terms not otherwise defined herein shall have the meaning set forth in the Grant Agreement.

O. Taxes

USTDA funds provided under the Grant Agreement shall not be used to pay any taxes, tariffs, duties, fees or other levies imposed under laws in effect in Host Country. Neither the Client nor the Contractor will seek reimbursement from USTDA for such taxes, tariffs, duties, fees or other levies.

ANNEX 5

Terms of Reference

The purpose of this TA is to assist the Grantee in determining the ideal business and operational models to support the further deployment of electronic banking infrastructure in Ghana. The TA shall also make technical recommendations on ICT infrastructure which must be implemented to support electronic financial transactions in Ghana. In carrying out the TA, the Contractor shall complete the following tasks:

Task 1: Document Review, Stakeholder Consultation, and Work Plan

1.1: Document Review: The Grantee shall provide the Contractor with all available documentation related to the Project including all relevant data and reports regarding historical and planned utilization of branchless banking products and services in Ghana and the Grantee's strategic plans. The Contractor shall review all of the information available.

1.2: Kickoff Meeting, Stakeholder Consultations, and Work Plan: The Contractor shall conduct a kickoff meeting with the Grantee and other financial sector stakeholders identified by the Grantee. The meeting shall take place at the Grantee's facilities or at another appropriate venue agreed upon by the Contractor and the Grantee. The Grantee shall be responsible for the cost of the meeting venue. The Contractor shall engage the Grantee and other financial sector stakeholders in a discussion about the Project and gain an understanding of the various entities' perspectives and priorities with respect to the Project. The Contractor shall gather input from the Grantee regarding the Grantee's goals for the TA, and salient issues surrounding the Project. The Contractor shall develop a work plan for performing the tasks under these Terms of Reference.

1.3: Case Study and Sector Review: The Contractor shall research and review case studies for the implementation of branchless banking systems in other countries, particularly those with similar levels of economic development. The Contractor's review shall include, at least: Brazil, Philippines, Cambodia, India, South Africa, Malawi, Guatemala, Mexico and Malawi (including its deployment of the Malswitch). The Contractor's review shall include discussion of the technologies, infrastructure, and branchless banking systems currently available globally, as well as potential or proposed upcoming technologies. The Contractor's review shall include an assessment of these technologies' current utilization and interoperability with other technologies and systems, and security standards for digital financial transactions. The Contractor's review shall include an assessment of the operational models and business models implemented.

Task 1 Deliverable: The Contractor shall prepare a report of all work performed under Task 1. The Task 1 Deliverable shall be included in the Final Report.

Task 2: Assessment of Network and Branchless Banking Infrastructure

2.1: High-Level Network Infrastructure Assessment: The Contractor shall undertake a high-level assessment of Ghana's network infrastructure upon which branchless banking systems will be operated. The Contractor shall review and assess the network infrastructure in place, as well as planned developments. The Contractor's assessment shall include fiber optic cable, VSAT, and satellite systems as well as international connection points. The Contractor shall assess the network's current availability and operational aspects including security, cost, reliability, and bandwidth. The Contractor shall develop a timeline indicating likely developments in Ghana's network infrastructure for the next five years.

2.2: Review and Assessment for Branchless Banking Systems: The Contractor shall inspect, review, and assess the existing branchless banking systems in Ghana. The Contractor shall assess the market for new and existing branchless banking systems in Ghana. The Contractor's review and assessment shall include, at least, the eZwich system and other bank card and biometric card systems, point of sale (POS) machines, automated teller machines (ATMs), the interconnectivity of rural banks, mobile banking systems, internet banking systems, and domestic and international wire transfer systems. The Contractor shall perform site visits to places where branchless banking systems are in use or planned for including, at least, Accra, Kumasi, Cape Coast, and at least two other smaller towns and villages.

2.3: Risk Analysis: The Contractor shall perform a qualitative risk analysis for the implementation and operation of existing and planned branchless banking systems. The Contractor's analysis shall take into account, at least, the results of the Contractor's site visits in Task 2.2. above, the Contractor's review and assessment of existing branchless banking systems in Task 2.2 above, the Contractor's case study review in Task 1.3 above, and input collected from the Grantee and other financial sector stakeholders. The Contractor's analysis shall assess, at least, the risks associated with the Project for rural banks, commercial banks, the Grantee, and end users of branchless banking systems. The Contractor's risk analysis shall include, at least, security, privacy, economic, and financial risks.

Task 2 Deliverable: The Contractor shall prepare a report of all work performed under Task 2. The Task 2 Deliverable shall be included in the Final Report.

Task 3: Regulatory, Policy, and Institutional Assessment

3.1: Regulatory, Policy and Institutional Issues: The Contractor shall perform a review of regulatory, policy and institutional issues related to the Project. The Contractor's review shall consider, at least:

- regulation and oversight of branchless banking;
- operation of branchless banking systems;
- establishment of terms of use including rules and regulations for both providers and users of branchless banking systems;
- physical and information security and privacy issues;

- establishment of auditing and benchmarking standards for branchless banking systems; and
- fee structures for the use of branchless banking systems.

The Contractor shall make recommendations regarding regulatory, policy and institutional requirements and changes necessary for the successful implementation of the Project.

3.2: Draft Standards: The Contractor shall review existing industry standards and international best practices for branchless banking systems. The Contractor shall develop a draft set of standards for the branchless banking systems in Ghana to allow secure, reliable, cost-effective, and interoperable branchless banking systems in Ghana.

Task 3 Deliverable: The Contractor shall prepare a report of all work performed under Task 3. The Task 3 Deliverable shall be included in the Final Report.

Task 4: Technical, Operational, and Business Requirements

The Contractor shall make recommendations on technical requirements, operational models, and business models capable of meeting the draft standards for branchless banking developed in Task 3.2 above. The Contractor's recommendations under Task 4 shall benefit both private operators of branchless banking systems including rural and commercial banks, and the Grantee in its role of ensuring the interoperability and regulatory compliance of branchless banking, clearing all branchless banking transactions, and initiating and operating certain technology platforms.

4.1: Technical Requirements: Based on the Contractor's assessment in Task 2 above, the Contractor shall develop technical requirements for the Project. The Contractor's recommendations shall include, at least:

- flexibility, scalability, and interoperability of branchless banking platforms;
- identity management;
- KYC (know your customer) due diligence;
- user interface;
- communication and network requirements;
- anti-money laundering (AML) capabilities;
- security and access management; and
- information security and privacy.

4.2: Operational Model: The Contractor shall recommend an operational model for the Project. The Contractor's recommendations shall include, at least:

- role of eZwich;
- role of the rural banks;
- role, structure and placement of branchless banking components (e.g. POS machines, ATMs, etc.) including supervision and development requirements;

- recommendations on how to develop service level agreements (SLA) and corresponding availability metrics for branchless banking components; and
- use of third party service providers.

4.3: Business Model: The Contractor shall recommend a business model for the Project. The recommended business model shall focus on affordability for potential users of branchless banking systems in Ghana; accessibility for as many people in Ghana as possible; commercial and economic sustainability; security; and compliance with industry best practices. The Contractor's recommendations shall consider, at least:

- implementation options;
- operation costs;
- life-cycle cost of equipment;
- shared fee structures;
- strategies for implementing and promoting the Project.

Task 4 Deliverable: The Contractor shall prepare a report of all work performed under Task 4. The Task 4 Deliverable shall be included in the Final Report.

Task 5: U.S. Sources of Supply

The Contractor shall conduct an assessment of available U.S. sources of supply for the Project. U.S. sources of supply shall include U.S. providers of the different categories of goods and services required for Project implementation. For each source identified, the Contractor shall include: company name, point of contact, address, telephone, fax, e-mail, and relevant goods and services provided. The Contractor shall contact at least 20 potential U.S. equipment, technology, and service providers for the Project, and compile a list of those companies that express interest in participating in the Project.

Task 5 Deliverable: The Contractor shall prepare a report of all work performed under Task 5. The Task 5 Deliverable shall be included in the Final Report.

Task 6: Economic and Financial Analysis

6.1: Economic Analysis: The Contractor shall perform an economic cost-benefit analysis of the Project, including an analysis of competing alternative methods of achieving the objectives for the Project. The Contractor shall perform a financial analysis of the Project, including internal rate of return (IRR) and return on investment (ROI), and make recommendations regarding financing options for implementation.

6.2: Sources of Financing: The Contractor shall identify and contact potential sources of financing to assess their interest in providing financing for the proposed investments by the Grantee. Sources shall include, at least, multilateral and bilateral financing institutions, including the U.S. Export-Import Bank.

Task 6 Deliverable: The Contractor shall prepare a report of all work performed under Task 6. The Task 6 Deliverable shall be included in the Final Report.

Task 7: Capacity Building Workshops

7.1 Capacity Building: The Contractor shall provide at least 10 days of capacity building covering at least two topic areas. The capacity building shall include at least 30 participants from the Grantee and other key stakeholders identified by the Grantee. The Grantee shall be responsible for the cost of the venue for the capacity building workshops. The Contractor shall provide all workshop participants with an agenda, workbooks, reference materials, and other handouts or presentation materials, as needed; conduct the training; and maintain training records, including the agenda, workbooks, reference materials, any handouts or presentation materials, a list of all workshop participants, and a description of the workshop. The capacity building topic areas shall be determined through consultation with the Grantee. Prospective topic areas include, but are not limited to, the following:

- implementation of branchless banking in other countries and corresponding model for Ghana;
- due diligence and know your customer (KYC);
- anti-money laundering (AML) and Financial Terrorism (CFT) requirements; and
- establishing and enforcing Service Level Agreements (SLA) for branchless banking agents.

7.2: Future Capacity Building Requirements: The Contractor shall perform an assessment of the Grantees' capacity to implement and manage the Project, and shall make recommendations for future capacity building to be provided by equipment and technology vendors through Project related procurements. The Contractor shall estimate the expected costs of the required capacity building and recommend a long-term capacity building schedule for the Grantee. The Contractor's recommendations shall take the Grantee's budgetary resources into consideration. The recommended long-term capacity building schedule shall be incorporated into the Implementation Plan in Task 8 below.

Task 7 Deliverable: The Contractor shall prepare a report of all work performed under Task 7. The Task 7 Deliverable shall be included in the Final Report.

Task 8: Implementation Plan

8.1: Final Recommendations: The Contractor shall prepare a draft Final Recommendations to the Grantee which shall incorporate all of the Contractor's recommendations in Tasks 1-7 above. The Final Recommendations shall consider alternative approaches to implementation taking into account priorities based on likely available budget.

The Contractor will develop a detailed Implementation Plan and timeline, including the use of pilot projects to test certain concepts recommended by the Contractor in Tasks 1-7

above. The Implementation Plan shall also include staffing and training requirements, and maintenance requirements for all equipment and facilities necessary for the Project.

8.2: Implementation Plan: The Contractor shall prepare draft technical sections of the tender documents and tender evaluation criteria for the recommended systems for implementation of the Project.

8.3: Executive Summary: The Contractor shall prepare an Executive Summary of the Project which shall be intended to present to prospective donors and financiers interested in the Project. The Executive Summary shall include the Final Recommendations and Implementation Plan prepared in Tasks 8.1 and 8.2 above.

8.4: Final Presentation: The Contractor shall present the Final Recommendations, Implementation Plan, and Executive Summary prepared in Tasks 8.1-8.3 above to the Grantee and other financial sector stakeholders identified by the Grantee. The Contractor shall, in consultation with the Grantee, invite prospective sources of implementation financing to participate in the Final Presentation. The Contractor shall consult with key stakeholders during this process. The Final Presentation shall include financing agencies that have demonstrated interest in providing financing for the Project.

Task 8 Deliverable: The Contractor shall prepare a report of all work performed under Task 8. The Task 8 Deliverable shall be included in the Final Report.

Task 9: Developmental Impact Assessment

The Contractor shall report on the anticipated development impacts of the Project if implemented according to the Contractor's recommendations in Tasks 1-8 above. The Contractor's analysis shall be as concrete and detailed as possible. The Contractor shall provide estimates of the Project's potential benefits in the following areas:

- *Infrastructure:* The Contractor shall identify the anticipated infrastructure impacts of the Project, giving a brief synopsis and concrete examples of infrastructure impacts. Examples of infrastructure impacts related to Project implementation may include the deployment of new ATMs and POS machines.
- *Human Capacity Building:* The Contractor shall identify the anticipated number and types of local jobs that would be created or retained as a result of the Project. The Contractor shall also identify the number of local people who would receive training and the types of training programs required for the Project. The Contractor shall not include training performed under these Terms of Reference in the development impact assessment.
- *Technology Transfer and Productivity Enhancement:* The Contractor shall identify the anticipated advanced technologies that would be utilized for the Project. The Contractor shall also identify anticipated efficiencies that would be gained as a result of the Project. Examples of efficiencies related to Project

implementation may include lower transaction costs for businesses, more rapid access to banking services, etc.

- *Market Oriented Reforms:* The Contractor shall provide a description of any regulations, laws, or institutional changes that are recommended pursuant to these Terms of Reference and the effect they would have if implemented.
- *Other:* The Contractor shall identify any other anticipated development impacts or benefits that would result from the Project, such as positive spin-off effects on other economic sectors, increased private sector participation, greater inclusion in the financial sector, etc.

Task 9 Deliverable: The Contractor shall prepare a report of all work performed under Task 9. The Task 9 Deliverable shall be included in the Final Report.

Task 10: Final Report

The Contractor shall prepare and deliver to the Grantee and USTDA a substantive and comprehensive final report of all work performed under these Terms of Reference ("Final Report"). The Final Report shall be organized according to the above tasks, and shall include all deliverables and documents that have been provided to the Grantee including all training materials and handouts prepared for the capacity building workshops. The Final Report shall be prepared in accordance with Clause I of Annex II of the Grant Agreement.

Notes:

- (1) The Contractor is responsible for compliance with U.S. export licensing requirements, if applicable, in the performance of the Terms of Reference.
- (2) The Contractor and the Grantee shall be careful to ensure that the public version of the Final Report contains no security or confidential information.
- (3) The Grantee and USTDA shall have an irrevocable, worldwide, royalty-free, non-exclusive right to use and distribute the Final Report and all work product that is developed under these Terms of Reference.

A N N E X 6

COMPANY INFORMATION

A. Company Profile

Provide the information listed below relative to the Offeror's firm. If the Offeror is proposing to subcontract some of the proposed work to another firm(s), the information requested in sections E and F below must be provided for each subcontractor.

1. Name of firm and business address (street address only), including telephone and fax numbers:
2. Year established (include predecessor companies and year(s) established, if appropriate).
3. Type of ownership (e.g. public, private or closely held).
4. If private or closely held company, provide list of shareholders and the percentage of their ownership.
5. List of directors and principal officers (President, Chief Executive Officer, Vice-President(s), Secretary and Treasurer; provide full names including first, middle and last). Please place an asterisk (*) next to the names of those principal officers who will be involved in the Technical Assistance.
6. If Offeror is a subsidiary, indicate if Offeror is a wholly-owned or partially-owned subsidiary. Provide the information requested in items 1 through 5 above for the Offeror's parent(s).

7. Project Manager's name, address, telephone number, e-mail address and fax number .

B. Offeror's Authorized Negotiator

Provide name, title, address, telephone number, e-mail address and fax number of the Offeror's authorized negotiator. The person cited shall be empowered to make binding commitments for the Offeror and its subcontractors, if any.

C. Negotiation Prerequisites

1. Discuss any current or anticipated commitments which may impact the ability of the Offeror or its subcontractors to complete the Technical Assistance as proposed and reflect such impact within the project schedule.
2. Identify any specific information which is needed from the Grantee before commencing contract negotiations.

D. Offeror's Representations

Please provide exceptions and/or explanations in the event that any of the following representations cannot be made:

1. Offeror is a corporation *[insert applicable type of entity if not a corporation]* duly organized, validly existing and in good standing under the laws of the State of _____. The Offeror has all the requisite corporate power and authority to conduct its business as presently conducted, to submit this proposal, and if selected, to execute and deliver a contract to the Grantee for the performance of the Technical Assistance. The Offeror is not debarred, suspended, or to the best of its knowledge or

belief, proposed for debarment, or ineligible for the award of contracts by any federal or state governmental agency or authority.

2. The Offeror has included, with this proposal, a certified copy of its Articles of Incorporation, and a certificate of good standing issued within one month of the date of its proposal by the State of _____. The Offeror commits to notify USTDA and the Grantee if they become aware of any change in their status in the state in which they are incorporated. USTDA retains the right to request an updated certificate of good standing.
3. Neither the Offeror nor any of its principal officers have, within the three-year period preceding this RFP, been convicted of or had a civil judgment rendered against them for: commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a federal, state or local government contract or subcontract; violation of federal or state antitrust statutes relating to the submission of offers; or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, tax evasion, violating federal or state criminal tax laws, or receiving stolen property.
4. Neither the Offeror, nor any of its principal officers, is presently indicted for, or otherwise criminally or civilly charged with, commission of any of the offenses enumerated in paragraph 3 above.
5. There are no federal or state tax liens pending against the assets, property or business of the Offeror. The Offeror, has not, within the three-year period preceding this RFP, been notified of any delinquent federal or state taxes in an amount that exceeds \$3,000 for which the liability remains unsatisfied. Taxes are considered delinquent if (a) the tax liability has been fully determined, with no pending administrative or judicial appeals; and (b) a taxpayer has failed to pay the tax liability when full payment is due and required.
6. The Offeror has not commenced a voluntary case or other proceeding seeking liquidation, reorganization or other relief with respect to itself or its debts under any bankruptcy, insolvency or other similar law. The Offeror has not had filed against it an involuntary petition under any bankruptcy, insolvency or similar law.

The selected Offeror shall notify the Grantee and USTDA if any of the representations included in its proposal are no longer true and correct at the time of its entry into a contract with the Grantee.

Signed: _____
(Authorized Representative)

Print Name: _____

Title: _____

Date: _____

E. Subcontractor Profile

1. Name of firm and business address (street address only), including telephone and fax numbers.
2. Year established (include predecessor companies and year(s) established, if appropriate).

F. Subcontractor's Representations

If any of the following representations cannot be made, or if there are exceptions, the subcontractor must provide an explanation.

1. Subcontractor is a corporation *[insert applicable type of entity if not a corporation]* duly organized, validly existing and in good standing under the laws of the State of _____. The subcontractor has all the requisite corporate power and authority to conduct its business as presently conducted, to participate in this proposal, and if the Offeror is selected, to execute and deliver a subcontract to the Offeror for the performance of the Technical Assistance and to perform the Technical Assistance. The subcontractor is not debarred, suspended, or to the best of its knowledge or belief, proposed for debarment or ineligible for the award of contracts by any federal or state governmental agency or authority.
2. Neither the subcontractor nor any of its principal officers have, within the three-year period preceding this RFP, been convicted of or had a civil judgment rendered against them for: commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a federal, state or local government contract or subcontract; violation of federal or state antitrust statutes relating to the submission of offers; or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, tax evasion, violating federal or state criminal tax laws, or receiving stolen property.

3. Neither the subcontractor, nor any of its principal officers, is presently indicted for, or otherwise criminally or civilly charged with, commission of any of the offenses enumerated in paragraph 2 above.
4. There are no federal or state tax liens pending against the assets, property or business of the subcontractor. The subcontractor, has not, within the three-year period preceding this RFP, been notified of any delinquent federal or state taxes in an amount that exceeds \$3,000 for which the liability remains unsatisfied. Taxes are considered delinquent if (a) the tax liability has been fully determined, with no pending administrative or judicial appeals; and (b) a taxpayer has failed to pay the tax liability when full payment is due and required.
5. The subcontractor has not commenced a voluntary case or other proceeding seeking liquidation, reorganization or other relief with respect to itself or its debts under any bankruptcy, insolvency or other similar law. The subcontractor has not had filed against it an involuntary petition under any bankruptcy, insolvency or similar law.

The selected subcontractor shall notify the Offeror, Grantee and USTDA if any of the representations included in this proposal are no longer true and correct at the time of the Offeror's entry into a contract with the Grantee.

Signed: _____
(Authorized Representative)

Print Name: _____

Title: _____

Date: _____